FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Europe

FBIS-EEU-93-091
Thursday
13 May 1993

Daily Report
East Europe

FBIS-EEU-93-091 CONTENTS *13 May 1993*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ALBANIA

Berisha Interviewed on Situation in B-H *[VECERNJI LIST 11 May]* 1
PSSh Chairman Nano on Corruption Charges *[ZERI I POPULLIT 6 May]* 1

BULGARIA

Berov Attacks SDS Anti-Cabinet Rally *[Sofia Radio]* 7
SDS Decides Against Parliamentary Walkout *[BTA]* 8
Ministry of Agriculture, Bank Officials Meet *[BTA]* 8

CZECH REPUBLIC

Klaus Discusses Current Government Policy *[LIDOVE NOVINY 11 May]* 10
First Quarter Trade Statistics Reported *[HOSPODARSKE NOVINY 11 May]* 13
Government To Minimize Impact of Bankruptcies *[CTK]* 16
Zieleniec Comments on Czech UNPROFOR Unit *[CTK]* 16
Zieleniec, Iranian Delegation Hold Talks *[CTK]* 16
Government Decision on Issuing Shares *[Bratislava Radio]* 17
Visa Requirements for Former Yugoslavs *[CTK]* 17
April Unemployment Declines to 2.71 Percent *[CTK]* 17

SLOVAKIA

Meciar on Easing Slovak-Czech 'Tension' *[Prague Radio]* 18
Austrian Foreign Minister Meets With Meciar *[Prague Radio]* 18
    Meets With Minister Moravcik *[CTK]* 18
Bank Official Sees No Threat in Bankruptcy Law *[CTK]* 18
MKDH Becomes Observer in European Organization *[CTK]* 19
Gabcikovo Builder on Environment Ministry *[REPUBLIKA 11 May]* 19
April Unemployment Rate Almost 12 Percent *[CTK]* 19

HUNGARY

Aid Trucks Without UN Licenses Turned Back *[MTI]* 20
Jeszenszky Interviewed on Ukrainian Treaty *[Budapest Radio]* 20
Border Police Spokesman Discusses New Units *[UJ MAGYARORSZAG 10 May]* 21

POLAND

Motion for No-Confidence Vote Expected *[Warsaw TV]* 22
    KPN for Recall of Suchocka Cabinet *[PAP]* 22
    Suchocka Views Possibility of Motion *[PAP]* 22
Solidarity Prepares for General Strike *[PAP]* 22
Planned Railroad Strike Possibly Suspended *[Warsaw Radio]* 23
Walbrzych Solidarity Sees Possible End to Strike *[Warsaw TV]* 23
'No Money' To Bolster Government Funds *[PAP]* 23
Democratic Union Council Elects Leadership *[RZECZPOSPOLITA 10 May]* 24
Slight Fall Noted in April Unemployment *[PAP]* 24

ROMANIA

- EFTA Meeting on Trade Exchanges Concluded *[ROMPRES]* 25
- Negritoiu Terms Talks With G-24 Group 'Successful' *[ROMPRES]* 25
- SRI Denies Training Terrorists in Moldova *[ROMPRES]* 25
- Politicians See Liberalism as Solution to Crisis *[ROMPRES]* 25
- Government, Unions Resume Salary Negotiations *[ROMPRES]* 25
- Prosecutor General Reviews Anticorruption Measures *[ADEVARUL 10 May]* 26
- Mihai Urges Reconstruction Effort, Conciliation *[ROMANIA LIBERA 10 May]* 27

BOSNIA-HERZEGOVINA

- HVO, Bosnian Army Leaders Sign B-H Cease-Fire *[Zagreb TV]* 28
  - Free Movement Guaranteed *[Sarajevo Radio]* 28
  - Generals Agree To Truce *[AFP]* 28
- UNPROFOR Reports Fighting Abating in Mostar *[AFP]* 29
  - Mostar 'Quieter'; HVO Attacks Jablanica, Konjic *[Sarajevo Radio]* 29
  - Fighting Reported in Konjic, Maglaj *[Sarajevo Radio]* 29
  - UN Reports Muslim Civilians Held *[AFP]* 30
- Brcko Territory Comes Under Artillery Attack *[Sarajevo Radio]* 31
- Serb Forces Stop Two UN Helicopters *[AFP]* 31
- UNPROFOR Helicopter Hit by Small-Arms Fire *[Zagreb Radio]* 31
- Ministry Spokesman Explains Request for UN Withdrawal *[Sarajevo Radio]* 31
- Serb Leader Asks UNPROFOR To Facilitate Referendum *[TANJUG]* 32
- Serbia Allegedly Prepares To Deport Bosnian Serbs *[Sarajevo Radio]* 32
- Bosnian Serbs Not To Attend Pan-Serbian Gathering *[TANJUG]* 32
- Mazowiecki Accuses Croats of Ethnic Cleansing *[TANJUG]* 32
- Zepa Refugees Recount 'Horror' of Ordeal *[AFP]* 33
- Herceg-Bosna HVO President on Defense Readiness *[VJESNIK 22 Apr]* 34
- Bosnian Serb Leaders Expect Intervention *[NIN 23 Apr]* 36
- Tuzla Serbs Appeal to Church, World Forums *[BORBA 24-25 Apr]* 38

CROATIA

- UNPROFOR Warned on Failure To Act on Peace Plan *[Zagreb Radio]* 39
- Tudjman Letter to Butrus-Ghali on UNPA Zones *[Zagreb TV]* 39
- Churkin on Referendum, Croat-Muslim Fighting *[AFP]* 40
- Minister on Planned Tudjman-Izetbegovic Meeting *[Zagreb Radio]* 41
- Valentic Seeks Iran's Mediation in Conflict *[Tehran IRNA]* 41
- Commentary Views Situation Within HDZ *[NOVI LIST 10 May]* 41
- HNS 'Not Enthusiastic' About Policy on Bosnia *[VJESNIK 9 Apr]* 43

SLOVENIA

- Slovenia Becomes Full Member of Council of Europe *[Ljubljana Radio]* 44
- Violation of UN Arms Embargo Suspected *[TANJUG]* 44
- Ministry Protests Building of Croatian Border Posts *[Ljubljana Radio]* 44
- Foreign Minister Peterle Views Achievements *[SLOVENEC 8 May]* 44
- Drnovsek Opposes Parliamentary Investigation *[SLOVENEC 21 Apr]* 47
- SLS Leader on Out-of-Control Privatization *[DNEVNIK 17 Apr]* 48
- Electric, Food Industries Best in Production *[DELO 10 Apr]* 50

YUGOSLAVIA

Federal

- Government Preparing Refugee Repatriation Program *[TANJUG]* 52
- 'Unofficial' Bonn Source Rules Out Military Option *[TANJUG]* 52

Serbia

Radicals Threaten Neighbors With Missile Strikes *[TANJUG]* 52
Extremists Warn of 'Terrorist Attacks' on UN Forces *[AFP]* 53
    Paramilitary Wing 'Ready for Action' *[TANJUG]* 53

Kosovo

EC Seeks Larger Presence in Kosovo, Macedonia *[Brussels LE SOIR 11 May]* 54
Serbs Move 'Heavy' Forces Into Republic *[KOSOVA DAILY REPORT]* 54
Activist Supports Balkan Union *[NIN 23 Apr]* 55
Activities of Albanian Separatists Reported *[VOJSKA 15 Apr]* 59

Berisha Interviewed on Situation in B-H

AU1205141493 Zagreb VECERNJI LIST in Serbo-Croatian 11 May 93 p 3

["Exclusive" interview with President Sali Berisha by Zeljko Hodonj; place and date not given: "Milosevic Wants To Continue the War"]

[Text] Thanks to the thoughtfulness of the Albanian ambassador in Slovenia, Napoleon Rushi, VECERNJI LIST got the chance to talk with Albanian President Sali Berisha just before his departure from Zagreb, where he signed bilateral agreements on political and economic cooperation between Croatia and Albania.

[Hodonj] Mr. President, thank you for taking the time for this interview. Allow me to remind you that when you addressed the Holy Father in Tirana, you said that the international community had left the innocent people in Bosnia-Herzegovina in the lurch. Do you believe that the international community is not really ready to stop the war?

[Berisha] I have to say that there is the will to stop the war. However, I must also say that this international will must finally be confirmed with concrete actions. Something has been done by tightening the embargo, but not enough, because events have reflected the ineffectiveness of earlier actions in a tragic way. Until the general intention and will of the international community are confirmed with energetic actions, there will be no results.

[Hodonj] Could it be claimed that the international community's dithering when it comes to undertaking effective measures is actually helping Serbian aggression?

[Berisha] Unfortunately, I have to say that international policy seems to be operating double standards in assessing Serbian policy and Serbian aggression in this part of the world. Maybe the world will now finally see just how wrong an attitude this has been and still is. The latest events spark optimism and indicate that the international community has slowly, step by step, realized just how dangerous the international policy regarding security and stability in this part of the world is for the security of the entire world.

[Hodonj] Ethnic cleansing in Kosovo is spreading, and fresh victims among the Albanians confirm this. How do you assess the present situation?

[Berisha] Ethnic cleansing in Kosovo started as so-called quiet cleansing. However, I am certain that Milosevic is ready for a violent attack, and allow me to make myself clear—he will continue the war unless the international community energetically stops him.

[Hodonj] Is it high time there was preventive military action against Milosevic's regime and the Serbian aggression, or do you think that it is already too late for this?

[Berisha] I am convinced that it is not to late to show the aggressor in no uncertain terms that he must answer for everything that he has done. It is not too late to do this, although it is being considered after a substantial delay.

[Hodonj] The international community is still thinking about a peaceful solution, but it is obvious that to the Serbs, this is the last thing on their minds?

[Berisha] As long as an aggressor feels that he is the victor, he will not want to accept reasonable proposals. The Serbs are no exception.

[Hodonj] What would be your message to the West and to the international community in this context?

[Berisha] Sadly, the only thing that I can and must say is very simple. If the international community does not undertake concrete and efficient measures, concrete actions, Milosevic will spread the war to the south of the Balkans and a Balkan war will be the tragic result of this insane policy with overwhelming consequences.

[Hodonj] Albania will then find itself on the very doorstep of the war?

[Berisha] Everyone should be aware of that—not only Albania—many other countries will also find themselves on the war's doorstep.

[Hodonj] Do you expect real and direct international military aid in that case?

[Berisha] If it comes to this, the international community will be faced with such problems that it will have to react. It would be better if this did not happen. The aggressor should be punished now.

PSSh Chairman Nano on Corruption Charges

AU1005101193 Tirana ZERI I POPULLIT in Albanian 6 May 93 pp 1-2

[Speech by Socialist Party [PSSh] Chairman Fatos Nano to the People's Assembly in Tirana on 4 May: "Blerim Cela and Co. With Their Backs to the Wall"]

[Text] Mr. Chairman, honored colleagues: It would be usual for me to begin my speech by thanking you for giving me the floor. However, to tell the truth, it is hard for me to thank you and especially Mr. Malasi, because for a whole week you have turned the Albanian parliament into an auditorium for the most monstrous slanders and accusations, violating the law and the rules of procedure to the point of military occupation, something painful and shameful for this temple of democracy. All this has happened, while you have denied me the floor as a deputy, as the chairman of a party whose importance you know, and as a human being, just after the approval of the law on basic human rights. Does this strike you as more or less abnormal? What human rights can be guaranteed to the Albanian people under such circumstances?

In such a climate of pressure and violence, not only I but the whole parliament are utterly insecure and unprotected. Let us hope and strive to overcome this situation, and may the person responsible receive the punishment he deserves.

Honored colleagues, I stand before you and have insisted on speaking to state the truth about a series of the most filthy pseudoaccusations and slanders against me, the government I headed, and the Socialist Party [PSSh] that I legitimately lead, which have been made during two or three weeks, and especially in Mr. Cela's so-called interpellation.

I must therefore begin by stating with my full personal, civil, and political responsibility to the Albanian parliament and, through it, to the entire people, that the pseudoaccusations and slanders presented in the report of Blerim Cela and company are nothing but a staged political and electoral fabrication, with ignoble and perverted aims to limit and liquidate the political and even physical freedom of the PSSh, its chairman, and the genuine opposition in Albania today, whose electoral support has indisputably risen. I therefore call on the collaborators in this scenario to calculate thoroughly the final consequences. This stew, concocted in anti-Albanian kitchens and by lobbies associated with them, who have used Cela as the cooking utensil and have treated this auditorium like the soldier Svejk, cannot fail to stink. However, Mr. Cela is not the only one to have swallowed it. Blerim [Cela] and his crew planted the smoke bomb of the "corruption" of Nano and his government without shame and out of political and professional incompetence. In the official statements by the central managing organs of the PSSh, at the press conference, and again before you today, I repeat on behalf of the Socialists that neither I nor the government I headed for three months, from 25 February to 4 June 1991, were implicated in any kind of corruption, and therefore in no corruption associated with the handling of the Italian emergency aid, for which I reemphasize our gratitude to the Italian people and state.

I therefore say straight to you, to the people, to Blerim Cela, and to anybody else: Do not slander or practice deception. I feel more responsible today than ever for the fate of democratic Albania, and I say, if you have a single fact or document to show that my comrades and I have stolen—come on, Blerim, shot it. However, there is nothing you can say, because we have never been involved in such turpitude , and the shame will rebound at you and your friends, who will so quickly desert you!

This is the reason why Mr. Cela, in only three days, suffered his pseudoaccusation's first failure, just as dozens of other shameful scandals, concocted to order, have also failed. Thus, put bluntly, you have made your own mess. Now, after accusations of corruption, you are switching to slanders of carelessness and incompetence in office, as issued yesterday evening at the television roundtable, on the instructions of the Democratic Party's [PD] phantasmagoric council and Mr. Selami.

I repeat for you and other adventurers my statement before the people that the government I headed and that included many loyal and respected personalities of the PSSh and its parliamentary group, genuine Albanians, worked at a very critical and difficult political, economic, and social time involving the overthrow of the old regime, the start of political pluralism, popular revolt, general strikes, mass exoduses, and the paralysis of the basic structures of the economy and of supplies for the people. The fundamental characteristics of its work were honesty and sacrifice to ease as much as possible the pains of the start of the transition and to administer with the greatest possible care the foreign aid we managed to secure. I therefore say that we did the best possible under conditions that are hard to imagine today, especially for those who now accuse us, but who were then destroying the country they sought to govern, reducing it to the level of zero.

I will now reply publicly, item by item, and with evidence and facts to the 11 accusations in the report of the State Control Commission, which the truth long ago refuted.

First, Mr. Cela accuses me as a former prime minister of having signed on 28 February 1991 a document on behalf of the government appointing Jahdin Sejdia [former chairman of Illyria Holdings] as an economic, commercial, and financial adviser.

I reply in the conviction that the people will understand the following interpretation better than Blerim and the novices of the State Control Commission and will not judge according to legally unsupported interests or preconceived conclusions.

The issued document was not a government decision but a permit, indeed the renewal of a permit issued by the Carcani government. In 1991, i.e. at the time when this permit was issued, neither the Constitution of the time nor special laws precisely defined the duties and rights of the head and members of the government, especially regarding the issue of permits. Indeed, the same is true today. I wish to stress that such a vitally necessary law still does not exist, while dozens of permits are still being issued, involving even payments, as in the Arsidi case, in which $1,600,000 vanished without a trace. The Law on the Basic Constitutional Provisions has merely defined certain main responsibilities of the government, but does not clearly distinguish (here let me remind Mr. Cela of the ongoing political struggle on which he has embarked) the attributes of the government from those of its head, nor the competences of the prime minister. This also holds good for Mr. Meksi, whom I respect.

To my mind, all this has its origin in the absence of the laws required by the last paragraph of Article 39 of the Law on the Basic Constitutional Provisions, which states that the composition, responsibilities, and organization of the Council of Ministers are regulated by law.

Thus, such a law, better defining the jurisdiction of the prime minister in relation to those of the government, would illuminate and settle this problem, would leave no room for simplistic interpretations, and would give the chairman of the Council of Ministers the right to act in the name of the government. Unfortunately, our law is still inadequate here.

We have still not clearly defined which issues the government should decide by a decision, by border, or instruction, or which ones require no rigorously defined legal measure.

Meanwhile, I reemphasize that the Nano government and all its members were well informed about the Sejdia question; they carried out discussions and made the necessary decisions, as documented.

It was the practice of the government for the prime minister to act to solve urgent issues, for which no suggestions for alternative solutions were available, so as not to obstruct the smooth running of the government.

Even today, for example, just as before, the chairman of the Council of Ministers, in consultation with the presidium, has submitted bills to this parliament without assembling the government, even though, according to the law, the initiative for legislation belongs to the government and not its chairman.

Most importantly, the government I led did not take any step without consideration, but always on the basis of a request submitted by the competent authorities, which gave reasons for the relevant solution.

Thus, Mr. Cela and others, tell me which law or prime-ministerial jurisdiction I have violated.

I nevertheless wish to make clear to the entire population that the issued permit was in accordance with the internal regulations produced by the Council of Ministers of the time, even if Blerim does not know or does not wish to know this, because his superiors today do not let him.

According to these regulations, the chairman of the Council of Ministers had the right to sign letters, circulars, and instructions on behalf of the Council of Ministers. When the prime minister thought necessary, the Council of Ministers or its presidium were informed of these documents to ensure their legitimization; if they were in opposition to the Constitution and other dispositions, they were annulled.

The above-mentioned permit was issued in exact conformity with these regulations. The members of the government were informed and did not object, because such was the level of our knowledge of Hajdin Sejdia at that time.

Second, in reply to the accusation that "on 28 February 1991 I signed a document giving authority to Hajdin Sejdia in talks to assess oil contracts," I state: Just as in the case of the aforementioned permit, this was within my power. I also stress that, after consultation with the specialized state bodies, Sejdia was appointed solely for talks for the assessment of contracts, which, to be valid, would have had to be approved solely, I stress solely, by the government. Do you say it is a crime that I reconfirmed an intermediary who in the course of time turned out to be a fraud, and who slipped from our hands in Mr. Cela's time, while talks continue to bring foreign investors for Albanian oil, though previous commitments had been specific and were under way?

Third, in a document of 28 February 1991 I reauthorized Hajdin Sejdia to continue talks with firms interested in oil storage and processing, and in a document of 29 February authorized him to cooperate in securing funds to finance various projects in different fields of the economy, such as light industry, the food industry, energy, construction materials, etc.

I believe it is superfluous to comment on and explain the legitimacy of these acts, because they are identical to those previously mentioned, did not involve a penny's expenditure, and did not grant any illegal privileges. On the contrary, we received an official offer of $2 billion of investments from the respected Bilbao Bank and the Spanish government, which Mr. Cela and his friends sabotaged by organizing pseudo-hunger strikes.

Fourth, it is claimed that Jeton Hajdaraj, then director of Albutrizmi, informed me on 7 May 1991 that, according to a representative of a firm in Dubai, Jahdin Sejdia was known as a simple "Yugoslav" merchant who worked without any authorization from important people or the relevant states of the Emirates.

This was the first reported suspicion regarding the person of Hajdin Sejdia. As head of the government, I immediately expressed my concerns to the Council of Ministers, which immediately confirmed its commitment to honest dealings and set deadlines and obligations for Sejdia and Illyria Holdings, which, if not met, would mean the cancellation of all agreements or rights granted to him during the short period of our government. In the last days of May 1991, an official document about this matter was prepared and circulated for a meeting of members of the government, because deadlines had been missed. Unfortunately, neither the government nor the country were able to discuss and decide this question, because the government was obliged to resign on 4 June 1991.

Must I be held responsible for the fact that Hajdin Sejdia's activities were not stopped either by the Stability Government [Jun-Dec 1991] or the Technical Government [Dec 1991-Mar 1992], or in the first four or five months of the Meksi government? He left Albania at precisely the moment when he should not have been allowed to escape, when the money and sweat of Albanian emigrants were buried in his hole [dug in the center of Tirana for the foundations of a luxury hotel], watered by the champagne of you and your friends, dear Blerim. Remember the television programmes showing the champagne and the hole.

Sixth [number as published], you allege that a circular document signed by me and Shkelqim Cani authorized the creation of the joint Swiss-Albanian Illyria Bank. We are supposed to have signed this without examining the associated documents. You are playing tricks, Mr. Cela. Although I am sure that Mr. Cani will provide the details about this problem, I with to say that I, as prime minister at that time, although not involved with the details of this procedure, did examine it at a special session of the government. You, by censoring the documents and the information, do not mention this. I call on you to have the courage to reverse your behavior, and to prove that your target is lying low in your own ranks. Publish the minutes of this meeting, which authorized the Council of Ministers to make the relevant decision. Because it is a decision of the presidium of the Council of Ministers, and not, as you call it, a leaflet or document, you should have the decency to show the parliament and the public the second copy of this decision, which was signed by all the members of the presidium and the then Legal Bureau, chaired by your "dear friend" Alfred Karamuca.

Seventh, you mention in your report the preferential financial treatment accorded to Illyria Holdings, supposedly opposed at the time by former finance minister Qemal Disha.

The financial treatment discussed by the government and its presidium concerned the level of rents and taxes this firm was to have paid. Despite all the discussion, it was decided that no illegal privileges should be granted to this firm, but that it should pay rents and taxes within the limits of the laws then in force. For my part as prime minister, I often drew the attention of the Directorate of Government Services to this. (Look at the minutes.) It was my insistence that compelled this firm to pay its dues after a few months, before 4 June. I can even tell you that Karamuca also exerted the same pressure, and tried to convince Qemal Disha, too, with legal evidence. However, either you, Mr. Cela, or Karamacu, who presented your report (watch out, he might have taken you in), either willingly or not do not wish to mention this fact because of instructions received from afar by fax.

In conclusion, regarding Illyria Holdings and the accusations raised by Mr. Cela, I declare: I do not have and never have had any personal or family ties with this firm, and least of all any ties resembling those of a presidential regime, which the members of the present government have had time to create and revive, and which they should not naively imagine will remain undiscovered for long. I repeat that the only matter I dealt with personally with Hajdin Sejdia was the distribution of the 10 automobiles that were his gift to the PD and other opposition parties of the time in order to help pluralism in Albania!

Eighth, Mr. Cela tries to accuse me of handling Italian emergency aid, of abuses, and favors shown to the firm Levante Co. As in the case of Illyria Holdings, I reemphasize that I did not have and do not have any personal or family ties with this or any similar firm, but only the official relations permitted by my office! I publicly declare as follows:

The Nano government did not appoint the firm Levante Co., but found it appointed under the agreement between the Carcani and Italian Governments, according to the laws of the Italian state and a bilateral agreement signed before 25 February 1991.

I have declared and I emphasize again that it was impossible to interrupt the continuity of the delivery of Italian aid through Levante Co. at that time, because, under Italian law, the procedure for choosing another firm took a minimum of 45 days, at a time when the people were waiting for food every day. I am amazed that still today the government of Mr. Meksi, whom I repeat that I respect, continues to spread accusations and suspicions, when the Italian organs of justice have not concluded their investigations and have not implicated either this firm or the Foreign Ministry. The Meksi government also continues to authorize this firm to work as an intermediary in the delivery of aid from Italy. The fax was published, recording through this firm and altering the assortment of medicine from the 1992 Italian aid shipment. This is for the sake of the truth!

Mr. Cela, by this accusation, it seems that you would have liked me personally to have left the people without food at that time and to have involved myself in bureaucratic procedures. I did the opposite, and the people remember how the market was supplied with food during the time of my government and of the Stability Government. Your slanders and nonsense cannot pass, because the people know how to add up. Meat continued to be sold at 17 leks per kilogram, and the much-maligned fruit juices were consumed free in kindergartens, day nurseries, and hospitals.

In the document sent by Sokrat Plaka to the Italian Foreign Ministry confirming our side's acceptance of Levante Co., the note stating "According to the instructions of Comrade Fatos and Muhamet Kapllani" is written by hand, anonymously, and without a signature. Nobody can believe such a note, especially when it is not even an official document. This is manipulation of the truth. Let experts judge to whom the handwriting belongs.

Ninth, you claim that I put a note on a fax of Pernjolla, in which I address the following words to Aleko Lipa and Gavrosh Pogace: "This is the list of goods. The important thing is that the Domestic Trade Ministry and the Health Ministry should produce a joint document as having received the quantities of goods on page two."

According to you, Mr. Cela, this order is a violation of Article 13 of Law No. 6,942, "On the Administration, Storage, Documentation, and Movement of Material Goods and Money." I ask you, Mr. Cela, to take your time and think hard whether you know any prime minister of Albania or in the world who has the job of storekeeper or accountant. I think that your reply would nicely explain your slander and accusation. According to your irresponsible logic, if a prime minister is to be punished for shortcomings in transportation, loading and unloading, and storage, then even Mr. Meksi must be worried, too, and must at least be imprisoned, while anybody higher up than him must, by Cela Logic, be hanged.

Tenth, I would give the same reply to the accusations that have been concocted in connection with the correspondence with the state reserves, because Mr. Cela has still not learned that it is not the prime minister's job to keep track of the movement of goods through warehouses, but to appoint the relevant people and authorities to carry out their duties as best as possible according to the laws in force. I would even say thank you for what you call your accusation, because it testifies to the opposite of what you imagine. I ordered the state reserves to store the goods in its storehouses which I believe you know are near the former government block of Durres, which are still blockaded by you, because it is the safest and best-organized place to store goods. No doubt you know this, but you are misinforming public opinion purposely and playing the role of a loyal courtier paid to entertain "emperors;" but take into account the fact such people may fall from favor after their performances, and at least have their pay cut.

Eleventh, the central problem over which you speculate and stir up public opinion is that of the price of the goods and their assortment, which are mentioned in Gavrosh Pogace's letter to me, and which we did nothing to alter! No, Mr. Cela, do not be so feebleminded! I want to stress that I as prime minister could not and did not deal personally with the compilation of lists of items of Italian aid, or with the fixing or changing of prices. The ministries and specialized authorities dealt with these problems, treating them under the necessary procedures in accordance with the laws of the Italian state and our country. You may know them, or I can give them to you, and we will publish them. I remind you that, according to Italian law, there is a special body called the Control and Supervision Association that controls not only the offers, quantities, assortment, but above all the prices of goods. They exercised firm control in all our contacts with the Italian Foreign Ministry and the Italian Embassy in Albania. If you have a single fact that shows the contrary, say at least one little word to the people. You have failed in Albania, and do not attempt to start a career in Italy, which solves its own problems. I wish you success, from this moment on.

I now also thank the newspaper RILINDJA DEMOKRATIKE, which they say is no longer what it was and has a smaller print run, for publishing the letter Gavrosh Pogace sent to me. Let us interpret it honestly and explain it properly to the public.

Gavrosh Pogace was an employee of the apparatus of the Council of Ministers, assisting the prime minister on trade problems, and was also a member of the Civil Aid Commission. This commission was chosen by a consensus of the political forces of the time and always kept me up to date.

From the experience gained in work with Italian aid, which as I emphasized was arriving for the first time from Western and EC countries, and viewing the problems and concerns that had arisen, it was we who appointed Mr. Pogace to check these matters and make a special report back to us. He considers these problems in this very same letter he sent to me. After my annotations and underlinings (not in soluble ink, that might be erased), and which express my support for his problems and concerns, I noted "agreed," and sent a copy to Mr. Cani. According to RILINDJA DEMOKRATIKE, Mr. Pogace understood correctly that the prime minister agreed to everything and to the handing over of the matter to the Ministry of Trade and Foreign Economic Cooperation and other bodies. I say "watch how this becomes reality" in relation to these problems, not your dreams.

As you see, Mr. Cela, your 11 pseudoaccusations are refuted by evidence, despite the prejudices you showed. I accuse you of not having a single document that sullies my name or is evidence of corruption. The envelopes you mention are imaginary. Look for them in someone else's pocket. Look in your own, just to make sure! I emphasize this for the following reasons: Do you allow me, as your equal as a deputy, to accuse Mr. Meksi and the other members of today's government for the fact that the cotton under the U.S. agreement has been stockpiled, because the intermediary firm entrusted with its delivery, Ameks, is a transportation firm? Will you allow me to say that the Belarusian tractors bought with Greek aid were procured at prices much higher than on the Russian market, because somebody's palm was greased?

Will you allow me to accuse you of the fact that nobody knows where the aid that continues to arrive ends up, and that at least 30 percent of its value is missing from the till? I ask why you are silent about these truths. I cannot make accusations without facts and without the truth. You dare to make accusations, Mr. Blerim. These are real facts about corruption, and many, many other problems about which the public is being disinformed, and has the right to complain.

No, Mr. Cela! Only the organs of justice try and determine guilt in such instances, yet not those revanchists and crash-course novices appointed to the courts by today's state and under the command not of the law but the PD and Mr. Selami.

In conclusion, Mr. Cela, I accuse you of purposely overlooking the special parliamentary commission and hiding documents from it and the people.

I accuse you of not having a single accurate document from the Italian side, because all the documents that throw light on this issue have been properly blocked in Italy, and only Italian justice has the right to investigate and judge them. There is a universal principle clearly expressed in the laws of industrialized Western European countries that a state that receives aid does not have the legal or ethical right to cast aspersions on or investigate the donor state, when the organs of the latter have not raised a problem concerning the aid that has been given. It is a matter of state dignity and gratitude that Albania must officially express to neighbouring and friendly Italy. Do not sully this solidarity of our European neighbors, because you will lose what little dignity is left to you.

I do not express thanks.

Berov Attacks SDS Anti-Cabinet Rally

AU1205192193 Sofia Khorizont Radio Network in Bulgarian 1620 GMT 12 May 93

[Statement by Prime Minister Lyuben Berov in Sofia on 12 May—recorded]

[Text] Dear compatriots: During the past few days advertisements have been published in certain newspapers calling upon people to attend a rally organized by the SDS [Union of Democratic Forces] in Aleksandur Nevski Square in Sofia at 1800 [1600 GMT] on 13 May. The rally is to be followed by a march from there to the National Palace of Culture, where another rally and concert will take place. Emissaries from 134 Rakovski Street [SDS headquarters] are energetically agitating in certain towns for convoys of cars or buses to bring SDS supporters to Sofia. The rally is convened under the premise of bringing down the government. At the end of the advertisement appears a ridiculous accusation in which the budget proposed by the government is described as a criminal budget that is supposed to bring the country to a beggarly state.

Recently [SDS leader] Filip Dimitrov (?claimed) that the budget deficit would be one-fourth of the gross domestic product. Now, it seems, he cannot think of any more sensible critical assessment. All this forms part of the SDS plan to provoke early parliamentary elections, (?by offering reminders about) communism. I am bound to state that the lie that the government is recommunizing the country is already becoming worn out, so they are trotting out a new one.

We cannot help but ask ourselves what the objective of this political exercise is, which is being prepared by a group of ambitious politicians, now already in decline, who in 1992 because of their own mistakes lost power under normal parliamentary procedure, but now cannot come to terms with this situation. They want to regain power at any cost, recklessly employing even nonparliamentary means for this purpose. These politicians continue to lead the SDS toward collapse, and thus toward upsetting national political life.

The time is past when the fate of our country and of the other East European states could be decided or at least be seriously affected by thousands-strong rallies and counter-rallies. The people are increasingly turning away from such actions. Do normal democratic countries like England, France, Germany, and even Italy, which has fallen into a grave political crisis, really resolve their internal political problems and decide on changes of government through public rallies and marches?

Certain quite enlightened people say that in this way they will show us how many supporters they have. It is very doubtful that this desperate effort will bring many people out into the streets tomorrow. In the last elections, about 2 million people voted for the SDS, which at that time was still united. No one can say for sure how many are still supporters, because all the public opinion polls provide categorical evidence of a precipitous and substantial decline in the numbers and percentage of supporters of the present SDS. This also becomes clearly apparent in everyday personal contacts. Let us accept then that the SDS has at least 1 million supporters left. Do they seriously want to bring all their million supporters from all over Bulgaria to tomorrow's political action in Sofia, and to say to us, after they have been counted: Look, see how many we are. Give us power, this is why we have come.

Every normal person is convinced that the organizers of the rally will not only be unable to gather 1 million supporters in Aleksandur Nevski Square tomorrow, but that they will not manage to gather even 100,000, perhaps even 10,000. In this situation, it is clear that the organizers of the rally and the march have set themselves only one objective: to arouse political enmity and attempt to destabilize the country by provoking disorder in the capital with the final aim of discrediting the government.

What the rally organizers are hoping for will not happen however. It is no problem at all for the government to issue an appeal this evening and to convene a many-thousands-strong rally and march of its own supporters tomorrow in the capital as well, and in this way [words indistinct] reaction to the rally organized by 134 Rakovski Street. Inevitably, clashes and conflicts would break out between the two rallies and the two marches, which might develop into something more serious.

The government will not do this, however. It will not call for a counter rally, and moreover advises its supporters to remain calm and observe public order. Any attempt to change the announced route of the march to divert it to the Presidency and the Council of Ministers building will be prevented. The organizers of the rallies will bear the responsibility for any breaches of public order—for there is traffic in the center of Sofia.

I want to assure any would-be participants in tomorrow's rally that the government has no intention of submitting its resignation because of any rally, even if it attracts 10,000 people, because at the same time throughout the country, even in the capital alone, one can see a much larger number of people who hold different, even opposing views, and who will not attend this rally. This government is elected by parliament, and it can only be overthrown by the National Assembly passing a vote of no confidence.

I invite the citizens of Sofia, and any visitors from other areas, to observe public order and to refrain from unnecessary confrontations, especially during tomorrow's march. You can be assured that, in the event of disorderly incidents breaking out the police will vigilantly carry out their lawful duties of maintaining public order. The government that I lead is fulfilling and will continue to fulfill its obligations regarding continued economic reform, and is glad to receive any reasonable criticism, but it will not give way to street pressure from failed politicians.

Thank you.

SDS Decides Against Parliamentary Walkout

AU1205192093 Sofia BTA in English 1717 GMT 12 May 93

[Text] Sofia, May 12 (BTA)—The Parliamentary Union of Democratic Forces (SDS) today discussed the idea of the SDS-affiliated Conservative Ecological Party for SDS MP's to leave parliament. The view that the MP's should stay in parliament prevailed.

The faction decided to coordinate its stance with the National Coordinating Council, the SDS central decision-making body, and make a joint declaration on the issue next week. The declaration should point out it would be inexpedient to leave parliament at this time, a parliamentary SDS source today told the BTA. At a regular meeting yesterday, the National Coordinating Council discussed the idea of taking steps which would lead to parliamentary elections. This is the only way out of the current situation in parliament, SDS leader Filip Dimitrov said after the meeting. The SDS took a political decision on early elections at its national conference two months ago.

The SDS polled the largest number of votes at the October 1991 parliamentary elections, yet failed to get a majority. Backed by the third force in parliament, the ethnic Turks' Movement for Rights and Freedoms (DPS), the union formed a cabinet. Last autumn saw a tightening of the relations between the parliamentary SDS and DPS. Attempts to form a coalition government after the SDS cabinet tendered its resignation in October 1992 failed. The SDS declared itself categorically against the cabinet of non-partisan economist Lyuben Berov, formed on the DPS mandate. Early this year MP's who backed the Berov cabinet in December 1992 were expelled from or left the parliamentary SDS. They formed an independent faction, the New Alliance for Democracy (NSD).

The Bulgarian Socialist Party (BSP), whose parliamentary group now holds the greatest number of seats in parliament, is for holding early but not premature parliamentary elections, BSP leader Zhan Videnov said recently. "Parliament has not exhausted its possibilities to stabilize and work normally," Professor Chavdar Kyuranov, leader of the Social Democracy Alliance (a radical tendency in the BSP) said at a press conference today.

The DPS and the New Union for Democracy have not taken a stand on the issue of early elections. Contact groups of these two parliamentary factions met today to discuss amendments to the Land Act. DPS and NSD MP's decided to meet and take common stands on controversial issues, an NSD MP told BTA.

The MP's of the BSP, DPS, and NSD passed the 1993 budget bill on first reading. Only the SDS voted against it. According to SDS leader Filip Dimitrov, the voting of the budget is now a lost opportunity for provoking elections.

The Confederation of Independent Trade Unions in Bulgaria (KNSB) will continue to take part in the National Council for Tripartite Cooperation (NCTC - comprising representatives of the government, the trade unions and the employers) but if it judges that elections are forthcoming it will not commit itself to the signing of a fundamental document with the government, its leader Professor Krustyu Petkov told the press today. His personal opinion is that parliament is going. There is no longer a majority to vote the legislative framework of the structural reform, there is no political will to vote the package of social laws and the parliamentary forces are preparing for elections, Professor Petkov believes.

Ministry of Agriculture, Bank Officials Meet

AU1305070293 Sofia BTA in English 1940 GMT 12 May 93

["Today"—BTA lead]

[Excerpts] Sofia, May 12 (BTA)—Deputy Foreign Minister Dimitur Ikonomov today received Mirko Pejanovic, member of the Presidency of Bosnia and Herzegovina, the Foreign Ministry told BTA. Mr. Pejanovic came here after visits to Slovenia and Macedonia. The sides discussed bilateral relations and the latest developments in Bosnia and Herzegovina. They voiced their support for the Vance-Owen plan for a peaceful settlement of the conflict.

The second-reading debates on the tax administration bill stumbled over the issue of whether the management of the tax administration should be decentralized.

A team of experts from European Free Trade Association (EFTA) member countries arrived here today. Tomorrow they will meet with experts from the Ministries of Trade and Finance, the Agency for Economic Coordination and Development, and the Bulgarian National Bank. The visit is intended to familiarize the EFTA experts with the state of the Bulgarian economy and discuss opportunities for cooperation in trade.

A Danish delegation visiting this country in connection with the Danish Days in Bulgaria and officials from the Ministries of Agriculture, Trade, Industry, Territorial Development and Construction, and Finance and of the Bulgarian Chamber of Commerce and Industry started a session today. The officials discussed Bulgaria's further integration into the European Community, Bulgaria's foreign debt, opportunities to expand markets, cooperation in agriculture, and the establishment of joint ventures. A joint document is expected to be signed tomorrow.

At its regular sitting today, Parliament's National Security Committee heard a project to restructure military industrial companies by Industry Minister Rumen Bikov. After it hears critical remarks from the Defence Ministry and opinions of corporate managers, the committee will take a stand on the project.

Two packages of privatization projects—of the Privatization Agency and of Prime Minister Lyuben Berov (the latter proposes privatization through registered deferred-payment bills)—have been presented to the Confederation of Independent Trade Unions (KNSB) by the government, KNSB leader Krustyu Petkov said at a press conference today.

The managements of the Ministry of Agriculture and of commercial banks with a majority state holding met today on President Zhelev's initiative to discuss the enforcement of the Agriculture Financing Act. "Commercial banks will lend farmers about 2,000 million leva. Farmers have already borrowed 1,000 million leva," National Bank Governor Todor Vulchev told the press. According to the Agriculture Ministry, the sector will need from 4,500 to 5,000 million leva this year.

The general meeting of the St. Kliment Okhridski University of Sofia did not elect a rector today. Prof. Nikolay Genchev tendered his resignation recently after he refused to sign certain documents as required under the Decommunization of Science Act. More nominations will be considered tomorrow.

Associate Professor Ognyan Saparev was elected rector of the Paisiy Khilendarski University of Plovdiv after two general meetings.

A bill envisaging amendments to the Decommunization of Science Act passed on first reading today. It was sponsored by Prof. Nikolay Vasilev of the New Union for Democracy. It has been a subject for lengthy debates for a month now. Several sittings of parliament broke up for lack of quorum.

Sofia City Council will meet today and tomorrow to discuss the municipality's budget in 1993 and a proposal to raise city transport fares. Deputy Mayor Bozhidar Keremedchiev will make a report on the dismantling of the building of the former mausoleum in the city centre.

City councillors of the two major political forces—the Union of Democratic Forces (SDS) and the Socialist Party—were sharply divided over the future of the Monument to the Soviet Army in Sofia. The two groups made strong-worded declarations at today's meeting of Sofia City Council. The representatives of the SDS sharply criticized the government headed by Lyuben Berov for its decisions concerning the monument, while the Socialists expressed indignation over the fact that the city authorities and Deputy Mayor Keremedchiev barred supporters of the Socialist Party from laying flowers at the monument on May 9.

The SDS Municipal Council in Kurdzhali (southern Bulgaria) decided to withdraw its representatives from the local government, BTA's local correspondent reported today. This step was prompted by circumstances which made it impossible for the SDS to work with the ethnic Turks' Movement for Rights and Freedoms in the local administration.

The Ruling Council of the as yet unregistered Turkish Democratic Party has decided not to send volunteers to Bosnia, the party's leader, Adem Kenan, told BTA's correspondent in Shumen. 317 volunteers have enlisted, including five Bulgarians. The payment offered to volunteers fighting on the Muslims' side is 2,000 dollars a month, according to Kenan. He has been invited to attend the second meeting of the so-called external Turks which will be held in Cyprus in the summer.

Bulgarians in Bessarabia are not preparing to immigrate to Bulgaria, Ivan Nenov, editor-in-chief of a radio station in Odessa, said at a news conference in Veliko Turnovo today. Most Bulgarians in the Odessa region are well off. The state authorities have changed their attitude and show tolerance for them. Their problems are cultural rather than political or economic, Nenov said. [passage omitted]

Iraqi citizen Mehmed al-Assi, who transferred illegally people across the Bulgarian border, was caught two days ago near Belasitsa (southwestern Bulgaria) after a one-year tracing effort, said BTA's correspondent. Al-Assi and a Greek attempted to transfer into Greece three Arab families with four children. [passage omitted]

Klaus Discusses Current Government Policy

AU1205134493 Prague LIDOVE NOVINY in Czech 11 May 93 pp 1, 6

[Interview with Prime Minister Vaclav Klaus by Jiri Franek and Petr Husak on 6 May; place not given: "Between the Twelve and Slovakia"]

[Text] We wanted to speak about the current issue of the division of property, but we received "no" for an answer. The prime minister resolutely rejected an interview on this subject. He could not resist, and, in his well known manner, accused reporters of having blown the matter out of all proportion. We exchanged opinions, took our places at table, and I began with a question regarding the division of property.

[LIDOVE NOVINY] Are you still an optimist regarding that matter?

[Klaus] I am an optimist, believing that this problem will not become a dominant issue of Czech policy and the Czech economy in the near future, and that we will be able to solve it in such a way as to be able to get over it and to begin a normal life, more or less.

[LIDOVE NOVINY] Where do you draw your energy from to participate in these negotiations, again and again?

[Klaus] I must quote a man whom I like, who has been a friend of mine for a long time, but who stepped slightly out of line, unfortunately—Tomas Jezek. He used to say, 10 or 20 years ago: "The greatest problem is that communists are bringing up the same problem we feel we solved a long time ago."

[LIDOVE NOVINY] Which is tiring....

[Klaus] One loses the will and interest to present the same arguments over and over again, and is inclined to present them in a different way. Then, he loses his original argument, and says it in a lower voice, less convincingly, which is the case with me in these negotiations. Unfortunately, this is our fate and we mut get over it.

In the communications media, this sounds like a problem we have to tackle 24 hours a day. This is not true. The time I devote to this matter in my normal work is absolutely disproportionate to the time I have to deal with it in my interviews with reporters. In my daily program, I have other things to do, things that are matters of principal. If your read the mail I have been dealing for two hours now, you would find that the problem of the division of property is not there. You would find, for instance, that I dealt with the problem of supplementary retirement insurance, wages, labor and social affairs, privatization of state owned farms, and agriculture. The property problem is not the main issue of Czech policy, and I would be happy if this were clear in the media, too.

[LIDOVE NOVINY] What is the main problem of Czech policy, then?

[Klaus] The main problem of Czech policy.... You would like to hear about a specific problem, but I will give you a more abstract answer, a more general one. With a certain degree of detachment and theorizing, I can say that our main problem is whether we can allow ourselves to be lulled by the current situation, and begin to think we are living in a normal period, a normal situation—with normal weather, if you want—or whether this evaluation of our situation is premature, whether we still have to debate matters of principal Tomorrow, my regular editorial will appear in CESKY DENIK. I ask whether our post-November vision is not getting rusty under the sediment of everyday activities, whether the time for normal workaday activities has come, or not. This is why I see our problem in this abstract form.

[LIDOVE NOVINY] Is this not somewhat due to the fact that certain things have been put off, but still loom large for us? For example, bankruptcies and the housing issue—these unresolved problems keep us in the past.

[Klaus] I would begin by asking what the words "have been put off" mean and then I would ask whether someone has deliberately put them off—which is a possible interpretation—or whether time, circumstances, and the political and economic constellations are, or are not, at a phase where these issues could be resolved. In both cases—bankruptcies and the housing issue—the latter instance is the correct one. In neither case, do I think the solution would be a simple one introduced from the outside, a solution that would be correct and would resolve the given problem. What we are talking about here are complicated, multidimensional problems with thousands of mutual interrelationships viewed with the impatience of those who see only one thing from many angles. When they look through just a single lens, they think a problem can be resolved extremely easily. However, I truly believe that this is impossible and that the relevant phase has to be reached in which it is possible to find a solution. I admit we still have to face some of these issues, but I do not think they have been deliberately put off. We are simply moving toward the ability to resolve them.

As far as the bankruptcies are concerned, if it had not been for the division of the state, we would have got round to this issue six months earlier.

As far as the housing issue is concerned, it is clear that—as opposed to liberalizing the prices of bananas, oranges, kiwi fruit, or grapes where an economic solution is appropriate at first and possible hardship is dealt with by a supplementary social policy—the solution to everything here is exactly the opposite. A safe, social solution has to be arrived at and then a more brutal, purely economic solution may have its turn. Again, there was no effort or time to arrive at the first solution, therefore, the second one was postponed.

[LIDOVE NOVINY] Apartments and bankruptcies are two negative prospects. The longer we wait for them, the worse it is for the state's social climate....

[Klaus] I think the argument that this should be done today or that this should have been done yesterday derives from absolutizing the view that if we do not invest now, then these houses will fall down. They did not fall down during 50 years of communism, and I think that if the investments needed to renovate them are not provided in '93, they can be provided in '94. However, in this issue we are really thinking in terms of months, not years.

[LIDOVE NOVINY] We did not ask about the technical-economic aspect, but about the negative prospects....

[Klaus] Housing is not so variable an issue as other things. We did not live in a world where it was a matter of course that if someone wanted to live, he had to provide financial reserves for this throughout his life. We are not genetically equipped to leap into a world where this is a matter of course. Therefore, I think the unilateral calls for a quick solution to this problem are too revolutionary. However, so that there is no mistake, I repeat again that, as far as I am concerned, the issue involves a solution in a number of months.

[LIDOVE NOVINY] Apart from domestic issues, Czech policy also has problems with our neighbors. Not only with Slovakia, but also with Europe and its limits and embargoes. Not long ago, you said at a news conference that the policy pursued by West European countries is in fact a continuation of their previous policy of shutting themselves off. You also said that if they continue their trend of sanctions, the Czech Government will have to respond.

[Klaus] First of all, I do not think this is a new problem or a bolt from the blue; the behavior of the West European countries is consistent. If there are inconsistencies from time to time or an embargo is imposed under pressure, then this embargo is removed again under pressure from the other side. These inconsistencies are normal as far as I am concerned. This means that we also have to be prepared for the fact that relations will be like this in the coming years.

[LIDOVE NOVINY] What does it mean for practical policy?

[Klaus] It means that in practical policy we will not wait for an idyllic situation, wait for a movement in one direction, from somewhere to somewhere. To put it simply, we are going to have a lot of disputes here. Europe is fighting with its own internal problems, and we are—whether we like it or not—a passive object of these inconsistencies.

I do not see our main problem in the fact that policy against us is made tougher temporarily, and then alleviated. I consider the principal problem of Europe as something I called "creeping recentralization" in my speech in Barcelona. I see an enormous problem in the increase in bureaucracy, the enormous increase in the power of lobbying groups—and consequently, increase in unproductive activities. I see a large problem in the fact that domestic standard mechanisms are being suppressed, and that a large number of decisions are being made in supranational control organs, which were not elected. I see a big problem in the fact that the political space is becoming narrower, that space for maneuvering is becoming narrower, and that strong political initiative and courageous political solutions are in short supply. Some politicians are trying to stay in office as long as possible, and therefore they mainly satisfy the noisiest lobbyist pressure groups. Those are general problems of the adaptability of the European region, where only such phenomena as the meat embargo—or something else another time—surface from time to time.

That is why I am not an Euro-optimist, but rather an Euro-pessimist. As a pragmatist, I must admit that this has come too late and that we must simply put up with it.

[LIDOVE NOVINY] You indicated recently that there is the possibility of adopting a more selective attitude. We do not have to deal with Europe all the time, we can deal with individual countries. By the way, where do they make the most effort to meet us half way?

[Klaus] I hate to broach ideology, but I have the feeling that this is linked with the left-right spectrum. It is no coincidence that the willingness to meet us half way on the part of the British is greater than that of those countries that have leftist governments, or governments seemingly only slightly right of the center. However, I also see problems in those countries that should be closer to us.

[LIDOVE NOVINY] Do you see a way to overcome the most important thing you spoke about, that is, the narrowing of policy—or room for policy?

[Klaus] We lack a different concept for policy, one under which the politician feels it is necessary constantly to be creating room for policy. That is why I am in favor of solutions other than those provided by circumstance, and into which we are thrust by force or by a particular pressure group. I am preparing my speech for the occasion of the awarding of the Ludwig Erhardt prize. This was an important idea of his, since he was the politician who opened up space and looked for alternative solutions, and was not satisfied with the fact that the easiest way is to give in to the sum of political pressures. I believe that this is precisely the main problem.

[LIDOVE NOVINY] A problem of politics or a problem of politicians?

[Klaus] Of politicians.

[LIDOVE NOVINY] Why do you think this problem, which is not only a European problem but a global one, is emerging precisely at this time?

[Klaus] This naturally has its subjective and its objective aspects. I do not want to analyze the subjective ones. As for the objective ones, there exist a number of hypotheses, which were perhaps most convincingly formulated in U.S. economist and sociologist Mancur Olson's famous book "The Rise and Fall of Nations" in the early eighties. In this book he explains in a rather interesting and unorthodox manner the causes of rises and falls in individual countries. He sees a very close linkage between, on the one hand, lobbyist interests and their strength and, on the other, the functioning and performance of the given country. That is one hypothesis. The other hypothesis is about the causes why in some countries these groups are strong and in others weak. As stability grows in a country, these lobbyist groups grow in strength, become increasingly powerful, and pervade all structures.

Incidentally, I see this very same thing happening in our country. For me it is easy to say that the trade unions and [other] employees' organizations do not obstruct basic transformation processes. Why is this so? Because we experienced such a social shock here in 1989 that all these pressure groups were subdued so much that to this day we profit from the relative decline of the strength of these interest groups. This does not mean that Klaus is an energetic politician who mercilessly suppresses these partial interests but it means that it is relatively easier for him to suppress them because they are not as hypertrophic as those with which Chancellor Kohl, for example, must contend.

[LIDOVE NOVINY] What you just said was very candid and is bound to be used against you. But let us be serious, how much longer can this tranquility last? We have the feeling that these groups are beginning to show their teeth.

[Klaus] They are showing their teeth but it will surely take a while before they become truly established and before they really pervade each enterprise and all structures.

[LIDOVE NOVINY] But they can gather momentum and, as a certain part of the left-wing press indicates, this is eagerly awaited.

[Klaus] That is definitely the case.

[LIDOVE NOVINY] Is social crisis still in store for us?

[Klaus] An economic crisis is definitely not in store for us now; we have the worst behind us in this regard. I am saying this with the full responsibility of an economist.

[LIDOVE NOVINY] But such things tend to be reflected in society's awareness with some delay. Even if there is no longer an economic crisis, there could still be a social crisis.

[Klaus] If I am to assess the social crisis as we got to know it and its depth, I must say sincerely how surprised I am how relatively minor this crisis has been. It has been smaller than was to be expected.

[LIDOVE NOVINY] Do you have the feeling that you do not deserve this?

[Klaus] Why me? I would not look at it that way. On the other hand, I would have expected that stirring up the pension and property ownership issues to such a degree as was done in the relatively short period of three years will result in a relatively deep crisis. I am rather surprised that the changes brought about only the current level of the sense of social instability. The situation is much worse in all countries of Eastern and Central Europe. I cannot explain this in any other way but to say that the socialist residue is much more profound than here.

[LIDOVE NOVINY] Perhaps, our foreign policy should be bolder regarding West European countries?

[Klaus] I believe it should be understood that external rhetorics in the media is one thing, and a firmer stand in mutual political negotiations is another. If we take the former as a yardstick, we reach the conclusion that Hungary, for instance, or Poland can put their foot down, but I am convinced that where it counts, in the actual discussions with Europe, we are sufficiently bold and command some respect.

[LIDOVE NOVINY] Earlier, you refused to talk only about the division of property. Talking about Europe, however, and our neighbors, Slovakia and our relationship with Slovakia is an unsettled problem for us, and it may be more serious than it seems. One reason may be that in the eyes of Western Europe, even after the partition of the state, we are perceived as the one who bears responsibility not only for ourselves but for the entire territory of the former Czechoslovakia. Is it just a feeling or does the West really hold us responsible?

[Klaus] It is so. I must concede that when I meet a Western politician or journalist Slovakia—and our relationship with it—represents 50 percent of the conversation. It is not in our interest to say anything bad about Slovakia.

The problem lies elsewhere. Of course, I could illustrate it from spheres other than the purely economic, but the economic sphere is always quantifiable and measurable. The role of Slovakia in our life will be less than it has been. We have to experience this and get used to it. If we consider our mutual trade, on the one hand, we observe that it has declined and, on the other, while we export most of our goods—27 percent of our exports—to Germany, Slovakia is second with 25 percent. Despite this decline, it is a lot, and in the long run it cannot be maintained at this level.

I do not wish to limit the problem to foreign trade, and although Slovakia will remain our key neighbor, it is most likely that we will experience some setbacks in our mutual relations in many areas.

[LIDOVE NOVINY] Are you not afraid it might be misinterpreted?

[Klaus] Yes, it will be misinterpreted, and we should be the ones who attempt the interpretation and we should not let someone else to force his onto us.

[LIDOVE NOVINY] Would it not be best, already for this reason, somehow to end the tug-of-war over the property settlement? If you permit, it is not the journalists but rather the impudence of demands like the flag or the villages that irritates the public, and in the end damages relations. We, journalists, really do not have any reason to stir up anything, we just reflect what is happening. When you deal with Mr. Meciar, you become an "accessory" to the meeting having taken place. It is not us who attribute importance to the meeting. Even the presidents are to meet now. That certainly adds importance to the talks in the eyes of the public.

[Klaus] It is a complicated problem. That is why I prefer to calm things down, rather then escalate them.

I will be very sincere. The sum of 24.7 billion korunas is a sum that can be shifted up or down. There are subtle items that can be included, or excluded. I tell you this responsibly as a bank clerk. However, any shift up or down is today interpreted as a concession of either the Czech or the Slovak side. I ask the journalists not to blow it so much out of proportion. Every sum should be discussed, but it was precisely the public campaign that make it impossible to shift it right or left, after considering the facts. I am not saying what you should do as journalists. I am only saying that it binds our hands. A politician must distinguish between the behavior of the Slovak delegation—I say the Slovak delegation—and that of Mr. Meciar during official talks and at meetings in front of 3,000 enthusiastic listeners.

[LIDOVE NOVINY] However, there is no difference between what you say during talks and in public.

[Klaus] I do not believe I have made many mistakes, but I will always regret one. This error happened in Ceske Budejovice in July last year, after the elections. After an hour, I yielded to the atmosphere of tens of thousands of people and made a joke—when asked whether they understand the problem in Slovakia—saying "There are more actors than economists in that government." This was probably my greatest inaccuracy and inconsistency, contrary to my habits and conviction. They have said much worse things about me, there is no doubt about it. However, I would say that this sentence was not the line I usually follow.

[LIDOVE NOVINY] Can Slovakia tie your hands, or obstruct your real policy, somehow.

[Klaus] It is not so bad. I believe what I am saying is not altruism—but I like to work out things to the end. Talks are leading to efforts to find joint solutions that are feasible. For example, I cannot imagine that the shares would not be issued [to Slovak coupon holders]. I cannot imagine it technically—not from the viewpoint of individual investment coupon holders. I cannot imagine the situation that would arise if the Slovak funds did not receive these shares. I say this in all seriousness. Founders of funds have borrowed millions of korunas from the banks, and did it in good faith that the state would carry out the coupon privatization. They must get back the millions they borrowed from the banks. It is outside our considerations whether this is good or bad from the point of view of international politics, for instance, or from the viewpoint of narrowly understood Czech interests. We should not confine our actual policy to just this problem.

First Quarter Trade Statistics Reported

AU1205162693 Prague HOSPODARSKE NOVINY in Czech 11 May 93 p 11

["vp"-signed report: "The Territorial Structure Has Changed"]

[Text] Czech Republic trade in the first quarter of 1993 was strongly influenced by the introduction of the consumer tax, compensatory payments [vyrovnavaci davky], and value added tax on imported goods. There were also effects from the division of the CSFR, after which tens of thousands of entities trading with Slovak enterprises saw their domestic transactions turn into foreign trade, and subsequently began filing customs documents.

In the first quarter of the year, the 1992 trend in imports and exports continued, which means that imports were rising while exports were declining slightly. The territorial structure of foreign trade has changed significantly since Slovakia has become a foreign trade partner. The structure of imports and exports according to individual goods also has changed.

The value of total imports, including imports from Slovakia, reached 68.3 billion korunas in the January-March 1993 period, and total exports, including those to Slovakia, reached 67.9 billion korunas. The balance of payments deficit was 0.4 billion korunas. Imports (without imports from Slovakia) were 56.4 billion korunas, and, compared with the same period last year, rose 21.0 percent. Exports (without exports to Slovakia) totaled 54.6 billion korunas, a decline of 3.1 percent.

According to preliminary calculations, import prices declined 0.7 percent in the 1st quarter of 1993, compared with the same period last year. This means the index of the physical volume of imports rose by almost 22 percent. Export prices rose 2.4 percent, the physical volume of exports declined 5.4 percent. The real exchange relation [smenna relace] reached 103.1 points.

From the territorial point of view, countries with advanced market economies provided 56.6 percent of the total foreign trade turnover (which includes trade with Slovakia—18.5 percent) (EC countries 42.7 percent), countries of the former Soviet Union 10.8 percent, developing countries 5.6 percent, European countries with economies in transition [prechodova ekonomika] (without countries of the former Soviet Union) 5.4 percent, and countries with state-run trade 3.0 percent.

With respect to individual economic units, there were different developments. In trade with the Slovak Republic, the value of imports reached 11.9 billion korunas within the first three months, and exports totaled 13.3 billion korunas for a surplus of 1.4 billion korunas. In the breakdown by product, market products prevailed with 35.1 percent of all imports, and machines and transportation equipment contributed 25.4 percent. These products also were the leaders in the export category.

Imports from countries with advanced market economies increased 39.9 percent and exports declined 2.6 percent in the first quarter of 1993, compared with the same period last year. There was a trade deficit of 0.9 billion korunas in the first quarter, but there was a 4 billion-koruna surplus in trade with EC countries. In trade with countries of the European Free Trade Agreement, there was a deficit of 2.8 billion korunas. In imports from countries with advanced economies, machinery and transportation equipment prevailed with 47 percent of the total, and in exports, market products prevailed with 29.7 percent of the total.

Imports from advanced countries increased 17 percent, while exports declined to 68.5 percent of last year's total. There was a surplus of 0.9 billion korunas. Of all imports, 35.5 percent were food and live animals, 33.2 percent machinery and transportation equipment. Market products comprised 45.9 percent of total exports.

Regarding countries with transitional economies, excluding the former Soviet Union, imports rose 3.7 percent and exports declined 38.9 percent. The trade balance reached a surplus of 0.8 billion korunas. From the Czech Republic, mostly market products were exported, comprising 31.2 percent of all exports, and machinery and transportation equipment constituted 25 percent. The breakdown of imports from this region was quite similar.

Trade surpluses with countries with state-run trade (North Korea, Laos, China, Cuba, Vietnam, and Mongolia) totaled 3.3 billion korunas, and trade with these countries was developing dynamically. Imports increased 11.5 percent and exports increased tenfold. Market products constituted 77.4 percent of overall exports.

In trade with the former Soviet Union, imports declined to 83.5 percent of last year's total, exports increased 12.7 percent. The deficit was 5.8 billion korunas. In the import structure according to individual products, imports of mineral fuel prevailed with 79.2 percent of overall imports.

With respect to individual countries, there were imports in the first quarter of 1993 from: Germany with 24.7 percent, Slovakia 17.4 percent, former Soviet Union 15.1 percent, Austria 7.6 percent, Italy 4.1 percent, and United States 3.7 percent. Compared with the same period last year, the fastest increase in imports was from Egypt, United States, Hong Kong, Finland, Taiwan, Singapore, South Korea, Belgium, Italy and Malaysia.

Some 28.6 percent of Czech exports went to the Federal Republic of Germany, 19.6 percent went to the Slovak Republic, 6.6 percent went to the countries of the former Soviet Union, 5.3 percent went to Austria, 4.3 percent went to Italy and China, and 2.3 percent went to Poland. In comparison with the same period last year, only exports to China, Denmark, Hong Kong, the United Kingdom, Brazil, South Africa, Egypt, the Federal Republic of Germany, and the former Soviet Union increased.

In the structure of imports divided according to the categories of commodities, the proportion of mineral fuel imports from January to March 1993 declined—in comparison with the same period last year—by 8.6 points to 16 percent of overall exports [as published]. Imports of the most significant mineral raw materials were, however, only slightly lower than in the same period last year. During the first quarter of 1993, 1.5 million tonnes of oil (1.7 million tonnes during the same period of 1992) and 1.7 billion cubic meters of natural gas (1.9 billion cubic meters) were imported. Imports of machinery and conveyance equipment increased by 4.4 points to 36.3 percent and imports of market commodities increased by 3.5 points to 12.4 percent.

In the structure of exports divided according to the categories of commodities, the proportion of machinery and conveyance equipment exports from January to March 1993 increased—in comparison with the same period last year—by 3.9 points; that is, their export amounted to 27.7 percent of overall exports. On the other hand, chemical exports declined by 4.1 points to 6.9 percent. Exports of the most significant commodities, comprising market products (34.9 percent of overall exports), increased slightly.

Foreign Trade for January-March 1993
(in million Czech korunas, all charges paid upto the border of the delivering state)

Turnover

	1992 Jan-Mar	1993 Jan-March	Jan	Feb	Mar
Total	—	135,920	26,763	47,094	62,063
Slovak Republic	—	25,169	5,700	9,822	9,647
Without Slovak Republic	102,747	110,751	21,063	37,272	52,416
States with advanced market economies	66,836	6,904	13,583	25,992	37,329
—EC countries	49,805	57,981	10,724	19,157	28,100
—European Free Trade Association countries	11,982	12,850	1,857	4,671	6,322
Developing countries	9,102	7,636	1,753	2,768	3,115
European states with transitional economies (without former USSR)	9,852	7,358	1,121	2,680	3,557
Former USSR	16,263	14,732	3,716	4,934	6,082
Countries with state-controlled trade systems[1]	690	4,041	877	871	2,293
Unspecified	4	80	13	27	40

[1] DPRK, Laos, China, Cuba, Vietnam, Mongolia.

Imports

	1992 Jan-Mar	1993 Jan-Mar	Jan	Feb	Mar
Total	—	68,100	10,840	27,392	29,868
Slovak Republic	—	11,869	2,300	4,761	4,808
Without Slovak Republic	46,462	56,231	8,540	22,631	25,060
States with advanced market economies	27,778	38,859	4,485	15,772	18,602
—EC countries	19,409	27,022	3,118	11,221	12,683
—European Free Trade Association countries	6,141	7,816	843	3,058	3,915
Developing countries	2,894	3,385	471	1,418	1,496
European states with transitional economies (without former USSR)	3,150	3,265	370	1,388	1,507
Former USSR	12,298	10,265	3,158	3,885	3,222
Countries with state-controlled trade systems[1]	338	377	43	141	193
Unspecified	4	80	13	27	40

[1] DPRK, Laos, China, Cuba, Vietnam, Mongolia.

Exports[1]

	1992 Jan-Mar	1993 Jan-Mar	Jan	Feb	Mar
Total	—	67,820	15,923	19,702	32,195
Slovak Republic	—	13,300	3,400	5,061	4,839
Without Slovak Republic	56,285	54,520	12,523	14,641	27,356
States with advanced market economies	39,058	38,045	9,098	10,220	18,727
—EC countries	30,396	30,959	7,606	7,936	15,417
—European Free Trade Association countries	5,841	5,034	1,014	1,613	2,407
Developing countries	6,208	4,251	1,282	1,350	1,619
European states with transitional economies (without former USSR)	6,702	4,093	751	1,292	2,050
Former USSR	3,965	4,467	558	1,049	2,860
Countries with state-controlled trade systems[1]	352	3,664	834	730	2,100
Unspecified	—	—	—	—	—

[1] On the basis of calculation.

Government To Minimize Impact of Bankruptcies

AU1205120293 Prague CTK in English 1901 GMT 10 May 93

[Text] Prague, May 10 (CTK)—Czech Economy Minister Karel Dyba told journalists today that he did not expect any pernicious wave of bankruptcies as the bankruptcy law had become valid.

The bankruptcy means a certain loss even for the creditors, and therefore they will often seek another, more advantageous solution, Dyba said. Nevertheless, the government intends to counter the expected undesired effects of bankruptcies, he added.

The government will support mainly the enterprises, the bankruptcy of which might trigger a chain of other companies' bankruptcies or sharply aggravate the unemployment problem, Dyba explained.

In general, standard solution methods, such as mutual annulment of debts and liabilities or capitalization of credits, will be applied.

In some cases the liabilities will be bailed out by a consolidation bank, Dyba said.

Referring to the modernization of the Czech telecommunications system, Dyba said that the process would demand up to 130 billion korunas ($4.3 billion) until the year 2000.

Telecommunications are becoming more and more a narrow neck of the economy, Dyba pointed out. With post offices having been separated from the telecommunications, the cabinet is preparing further moves within the process of their privatization, Dyba added.

[Prague MLADA FRONTA DNES in Czech on page 14, in a similar report under the title "Minister Dyba; Telecommunications Are Likely To Be Partially foreign owned" adds: "Minister added that in the first stage, the division of SPT Telecom property should take the following form: National Property Fund 70 percent, coupon privatization 26 percent, restitution fund 3 percent, and endowment fund 1 percent. Only in the second stage will the capital be increased and foreign partner can enter. Under no circumstances, however, will the state ownership decline under 51 percent."

The telecommunication development plan reckons with an investment of 130 billion korunas by 2000. According to Dyba, it must be a project of the so-called "modular type" so it could be adaptable—from the expenditures point of view—to the conceivable decline in demand for telecommunication services. The financing is to be done 65 percent from the SPT Telecom own sources, 5 percent from World Bank credit, 10-15 percent from sale of some property to foreign partners, and 30 percent from other sources, above all, from commercial operation.

Zieleniec Comments on Czech UNPROFOR Unit

LD1105130093 Prague CTK in English 1154 GMT 11 May 93

[Text] Prague, May 11 (CTK)—Czech Foreign Minister Josef Zieleniec favours enlarging the number of Czech troops serving in the former Yugoslavia within the U.N. Peace Protection Force (UNPROFOR).

Zieleniec told journalists today that it was time that the Czech Republic propose increasing the number of Czech troops in Yugoslavia to at least 1,000 men. Currently, the Czech UNPROFOR unit there amounts to about 500 soldiers.

Referring to the Czech Republic's relations with the European Community (EC), Zieleniec said that mutual talks had been intensified lately. He said the EC had come to realise that not only east European countries but EC states as well should seek European integration.

Touching on the refugee problem Zieleniec noted that conditions were being fulfilled for the start of talks between Germany and the Czech Republic on how to settle the fate of refugees denied asylum in Germany. Bonn would like to return such refugees to their country of origin through the Czech Republic.

Zieleniec stressed, however, that the signing of similar agreements with other countries was a precondition for such talks. Zieleniec recalled that the Czech Republic signed such an agreement with Poland on Monday and that such an agreement with Slovakia already exists.

Zieleniec said establishing border crossings with Slovakia also represents a problem. He said an agreement on border crossings will be ready for signing in the near future.

Zieleniec, Iranian Delegation Hold Talks

LD1205205393 Prague CTK in English 1903 GMT 12 May 93

[Text] Prague, May 12 (CTK)—Regional questions, mainly those concerning developments in the former Yugoslavia, were discussed today at a meeting of Czech Foreign Minister Josef Zieleniec with members of an Iranian delegation headed by Foreign Deputy Minister Mahmud Va'ezi.

Zieleniec pointed to the essential importance of Czech-Iranian commercial and economic cooperation.

Mahmud Va'ezi discussed Czech-Iranian relations, as well as the two countries' stands on developments in some European regions, with Czech Foreign Deputy Minister Alexandr Vondra on Tuesday, spokeswoman for the Czech Foreign Ministry Lucie Pilipova told CTK.

On their official visit to the Czech Republic to run through May 13, the Iranian delegates also met with Czech Deputy Premier and Agriculture Minister Josef

Lux, Industry and Trade Minister Vladimir Dlouhy and Chairman of the Czech Parliament's Foreign Committee Jiri Payne, Pilipova said.

Government Decision on Issuing Shares

LD1205202993 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 12 May 93

[Excerpt] In Prague today the government of the Czech Republic has decided to hand over shares in Czech enterprises to Czech and Slovak privatization coupon-holders, and to itemize the points on the agenda of the talks on property settlement between the Czech and Slovak republics. Our Prague correspondent Daniela Galikova has more details.

[Galikova] As Czech Premier Vaclav Klaus emphasized, the government has arrived at this decision after long consideration. This is how Premier Klaus summed up today's long deliberations in the Czech government about the process of property division between the Czech and Slovak Republics.

[Begin Klaus recording, in Czech] The government weighed very carefully all the circumstances and discussed in detail individual groups of issues. It has arrived at the following conclusions.

First, it has acknowledged with satisfaction the information that the Slovak side is prepared to sign a general agreement between the Czech and Slovak republics on a joint course of action in implementing the constitutional law on the division of assets of the CSFR. This agreement, being drafted for the last six months, which, after all, has been approved by both governments, is now old in several points. In several places there are future tenses where there should be past tenses. The Czech government will draft a certain adjustment, a certain update of this agreement. As one of the appendices to this agreement, it will draft an itemized list of all partial sub-agreements concerning property division that are entering this property game between the Czech and Slovak republics. In this way we want to ensure that a whole range is clearly defined of what is entering, was entering, or will be entering at any time in the future in the division of property between the Czech and Slovak republics. We will recommend to the Slovak government this new appendix which, in our view, will define once and for all the range of problems that might ever enter the property talks between the two republics. All other things, all other property transfers will be dealt with as one package, and will be interdependent and dependent on the signing of all these agreements. This is one half of the problem.

The other half of the problem is this: The government has long discussed its decision of 17 March to freeze the issue of shares to privatization coupon-holders and investment privatization funds from the first wave of coupon privatization. The government has assessed the situation and weighed up the development of the property settlement and the situation in the economy, privatization, stock exchanges, and so on. The government has decided to unfreeze the shares, to cancel their suspension, and to release the shares both to investment coupon-holders and to investment funds which subscribed in the first wave of coupon privatization. [end recording]

[Galikova] The reason that led the Czech government to issue the shares to all participants in the coupon privatization was not just the progress made in the property talks, although the Czech premier described this reason as the most important one. Another reason that he had to admit was the fact that the Czech government measure to suspend the issue of shares was no longer fulfilling its positive role.

The Czech premier did not say when the shares will be issued. He said that it is not the government's task to solve technical issues. [passage omitted]

Visa Requirements for Former Yugoslavs

LD1205185793 Prague CTK in English 1823 GMT 12 May 93

[Text] Prague, May 12 (CTK)—The Czech Government expressed its support today for the introduction of visa requirements for citizens of all former Yugoslav republics except Slovenia, spokeswoman Klara Pospisilova told journalists after a government session today.

The decision was brought about by the influx of former Yugoslav citizens, who have left because of the civil war there, into the Czech Republic.

The Czech cabinet must still discuss this step with Slovakia, Pospisilova said, because it is tied to an agreement between the Czech and Slovak Republics.

Czech Premier Vaclav Klaus said that the new visa requirements should enter into effect after negotiations with the Slovak Government.

Changes in visa requirements for other countries were not discussed today, Pospisilova said.

April Unemployment Declines to 2.71 Percent

AU1305113093 Prague CTK in English 1756 GMT 11 May 93

[Text] Prague, May 11 (CTK)—Unemployment in the Czech Republic reached 2.71 percent in April, or 142,639 people, Press Spokesman for the Ministry of Labor and Social Affairs Ota Veverka told CTK today.

This represents a 6 percent decrease from March, when the number of unemployed stood at 151,570, or 2.88 percent.

The region of north Moravia registered 4.54 percent unemployment, the highest for the month. Prague's unemployment rate of 0.32 percent was the lowest, representing a mere 2,264 people.

Karlovy Vary, west Bohemia, was the district with the lowest unemployment—0.32 percent, or 162 people. Znojmo, south Moravia, with 6.16 percent, registered the highest rate.

Meciar on Easing Slovak-Czech 'Tension'

LD1205164593 Prague Radiozurnal Radio Network in Czech 1400 GMT 12 May 93

[Text] By releasing the Slovak investment coupon holders' frozen shares in Czech companies and by returning the gold which belongs to Slovakia, the tension between the Czech and Slovak republics would stop escalating, according to Vladimir Meciar, Slovak prime minister and chairman of the Movement for Democratic Slovakia [HZDS]. Although Slovakia's starting point is the worse of the two, the not-too-distant future is not so bad, Meciar said. He termed as a priority the revival of the banking system and money flow.

Chairman Meciar said that deputies who changed parliamentary clubs should refund expenses to the party for which they stood in the election. Meciar also dismissed comparisons between the emergence of the so-called Knazko's deputies club and the HZDS club formed by seceding from the former Public Against Violence. The HZDS action has been endorsed both politically and legally.

Austrian Foreign Minister Meets With Meciar

LD1205154693 Prague Stanice Praha Radio Network in Czech 1330 GMT 12 May 93

[Text] The stability of neighbors also has an impact on stability in Austria, stressed Austrian Foreign Minister Alois Mock, who is on a one-day official visit in the Slovak Republic. After his talks with Slovak Prime Minister Vladimir Meciar, which were devoted to cooperation between both countries, Alois Mock remarked that the cost of helping to resolve problems connected with the transformation of the Slovak society and economy are low, thanks to the proximity of Bratislava and Vienna. He recalled that it is precisely Austria which is most represented on the Slovak market. Although during their talks both representatives did not deal in detail with the refugee question, one topic of their talks was a joint course of action against organized crime.

After his talks with the Austrian foreign minister, Vladimir Meciar said that Slovakia is open to the solution of national minority problems and will accept the Council of Europe's recommendations as if these are its own. He added that the government will soon tackle the possibility of using Hungarian Christian names and the use of bilingual identification of towns and villages. According to him the National Council of the Slovak Republic will also prepare a declaration on this subject.

During the talks Vladimir Meciar asked Alois Mock to support the idea of a joint admission of the Czech and Slovak Republics into the Council of Europe.

Meets With Minister Moravcik

LD1205181893 Prague CTK in English 1736 GMT 12 May 93

[Text] Bratislava, May 12 (CTK)—Ready to play a considerably more active role in Europe in solving the problems of ethnic minorities, Slovakia has proposed an European standard of ethnic minorities' rights, Slovak Foreign Minister Jozef Moravcik said today after his meeting with Austrian Foreign Minister Alois Mock.

Mock pointed out that the dialogue between the Visegrad Group member countries (the Czech Republic, Slovakia, Poland and Hungary) was necessary. This dialogue should be based on joint experience of the post-communist countries in the (Central European) region, he added.

Slovakia has all chances to integrate into the Council of Europe (CE) and become its full-fledged member, Mock emphasised.

Moravcik stressed that the CE did not condition Slovakia's admission by any modifications of the country's current territorial-administrative setup. Although the issue was taken up during my Strasbourg trip, no such demand appears in official documents, Moravcik explained.

After his 6 May Strasbourg trip, Moravcik informed representatives of the Hungarian political parties in Slovakia that four points were discussed: the use of non-Slovak Christian names, introduction of billingual names of towns and villages, a new territorial-administrative setup, and cultural and educational autonomy for the ethnic minorities.

Slovakia will follow the first two recommendations by the Council of Europe, Moravcik stressed. The two latter suggestions were no conditions for Slovakia's admission to the CE, but only questions taken up during the Strasbourg-based Ministerial Council's session, Moravcik explained.

After meeting with Slovak President Michal Kovac and Chairman of the Slovak Parliament Ivan Gasparovic later in the day, Mock left back for Austria.

Bank Official Sees No Threat in Bankruptcy Law

AU1305111593 Prague CTK in English 1801 GMT 11 May 93

[Text] Dolna Krupa, west Slovakia, May 11 (CTK)—The newly effective Law on Bankruptcy and Settlement does not pose the threat of a general wave of bankruptcies in Slovakia, Vice Governor of the National Bank of Slovakia Marian Jusko told CTK today. The liquidity of Slovak commercial banks is increasing, Jusko said, so that they are able to cover the payments of firms threatened with bankruptcy from their reserves. Total bank reserves reached 4.5 billion Slovak korunas last week. The bankruptcy law does not yet have the force of law, and it will take a certain amount of time for its effects to be felt. Personally, however, I am an optimist, Jusko said.

He added that the Banking Council is expected to approve at its meeting this Friday a document which would enable banks to grant credit to privatizing companies without fuelling the spiral of inflation. The National Bank is seeking an agreement to this effect with the National Property Fund, he said.

MKDH Becomes Observer in European Organization

AU1305105993 Prague CTK in English 1603 GMT 11 May 93

[Text] Bratislava, May 11 (CTK)—The Hungarian Christian Democratic Movement (MKDH) was accepted yesterday as a permanent observer of the European Democratic Union (EDU), Movement's Chairman Bela Bugar told CTK.

The MKDH holds five seats in the 150-seat Slovak parliament.

Slovakia's Christian Democratic Party (KDH), a regular member of the EDU, supported the MKDH's acceptance despite disagreement with several of our political actions, Bugar said.

The status of permanent observer is a transition between observer and regular member. Permanent observers may vote in EDU committees, but not in its Council of Party Chairmen. The MKDH hopes to become a regular member within a year, Bugar said.

In making its decision, the EDU studied not only the MKDH's program, but other materials, including memos and statements given to the Council of Europe and the European Community.

The Civic Democratic Party (ODS), the Civic Democratic Alliance (ODA), and the Christian Democratic Union-Czechoslovak Peoples' Party (KDU-CSL) are EDU regular members from the Czech Republic. Other EDU members include Britain's Conservative Party, the Christian Democratic Union and Christian Social Union from Germany, the Austrian People's Party, and the ruling Hungarian Democratic Forum. The Slovak National Party (SNS) has also shown interest in joining.

Gabcikovo Builder on Environment Ministry

AU1205162093 Bratislava REPUBLIKA in Slovak 11 May 93 p 9

[Article by Julius Binder, director of the "Vodohospodarska Vystavba" state enterprise, builder of the Gabcikovo hydroelectric power project: "The Life of the River Is the Life of the People"]

[Excerpt] [passage omitted] After his return from a conference of environment ministers in Switzerland, [Slovak Environment] Minister Jozef Zlocha said that some people from Bratislava were participating in the production of materials that are officially published by the Viennese branch of the World Wildlife Fund and that present the Gabcikovo-Nagymaros hydroelectric power project in a tendentious and biased manner. Allow me to add that it is precisely some employees of his own ministry who misappropriate working materials and place them at the disposal of abusers. They tear out bits and pieces from monitoring reports [on the state of the environment in the area of the Gabcikovo hydroelectric power project] so as to change their meaning completely. They send letters to organizations of the Slovak Union of Nature and Landscape Conservationists [SZOPK] that eventually turn out to be pieces of disinformation. What other explanation can there be when the chairman of the Bratislava SZOPK City Organization writes a letter to my company that is full of references to a letter from the Ministry of the Environment? This, too, is Slovakia. Believe me, no minister of even the most democratic government would tolerate a fifth column in his own ministry. At the same time I must say that I know the stands of Minister Zlocha, also from his previous activity, and hold him in esteem. Yet the truth is that the activity of the Slovak Ministry of the Environment must change radically, especially in view of the results of the first six months of the operation of the hydroelectric project and the coming proceedings before the International Court of Justice in The Hague [to which Slovakia and Hungary have referred their dispute]. The higher principle [of Slovakia's national interest] must have priority over the one-sided views of a negligible part of this nation. [passage omitted]

April Unemployment Rate Almost 12 Percent

AU1305111893 Prague CTK in English 1613 GMT 11 May 93

[Text] Bratislava, May 11 (CTK)—Slovak job centers registered 304,682 job seekers as of April 30, which is tantamount to a 11.96 percent unemployment rate.

The number of unemployed was 1,408 lower than in March. As many as 107,077 job seekers were drawing unemployment benefits at the end of April. The figure was 35.1 percent of those registered.

The jobless included 31,922 school leavers. Almost 6 percent of those unemployed (17,533) were handicapped people. The number of women seeking job dropped to 47.03 percent of the total.

Aid Trucks Without UN Licenses Turned Back

LD1205161393 Budapest MTI in English 1410 GMT 12 May 93

[Text] Budapest, May 12 (MTI)—Since the tighter United Nations sanctions against Yugoslavia, Hungary has turned back 25 trucks, some carrying aid, as they did not have UN licences, customs commander Andras Takacs said on Wednesday.

According to a report from the Belgrade news agency TANJUG on Tuesday, two aid consignments for Bosnian Serbs, from a Paris organization of Bosnian Serbs and a French charity group, were held at Roszke on the Hungarian-Serb border for five days.

TANJUG quoted a senior official of the French group as saying, it was shocked at Hungary's move, as the two trucks had correct licences from the UN Sanctions Committee.

However, Takacs said the two small vans arrived at the border on May 7 without UN licences. The weight of each consignment was below 2 tonnes.

So far, when Hungarian authorities have denied entry to consignments for Yugoslavia, the decision has been supported by UN officials at Roszke, Takacs said.

Jeszenszky Interviewed on Ukrainian Treaty

LD1205121093 Budapest Kossuth Radio Network in Hungarian 0440 GMT 12 May 93

[Excerpts] [Announcer] Yesterday, parliament adopted the Hungarian-Ukrainian Treaty. [passage omitted] Erno Kardos spoke with Foreign Minister Jeszenszky shortly after the parliamentary voting:

[Begin recording] [Kardos] Several people criticized the treaty, saying that it might put Hungarians living beyond the border into a disadvantegeous situation. What is your opinion on this ?

[Jeszenszky] The primary beneficiaries are the Hungarians living in sub-Carpathia, not only by virtue of the ratification, but also as a result of the fact that we took up links with Ukraine before it became independent, and that the treaty, which we have just ratified, was concluded in the hours of Ukraine's birth.

[Kardos] Deputies mostly criticized the fact that the Hungarian Government renounces certain demands.

[Jeszenszky] In June of 1990, in connection with the anniversary of the Trianon Peace Treaty, the factions of the six parliamentary parties confirmed in a joint resolution that Hungary has no territorial demands, but Hungary insists on the rights for Hungarians beyond the borders and conducts its politics according to this, government and opposition parties alike. This principle is still valid today and the realization of this principle is that, after all, this treaty was adopted with a majority by the government and opposition parties jointly. There is no question of renouncement, for something which does not exist cannot be renounced, thus we did not renounce territory or principles. This treaty is in concordance with the Helsinki basic principles. This treaty should not be looked upon in a way that perhaps it is not very good, or a better one could have been concluded. The treaty is not only advantageous and offers further advantages for the Hungarian minority in sub-Carpathia, but it is indeed a reference, a precedence for other neighboring countries also and for the Hungarian minorities living there.

[Kardos] Many people are afraid precisely for this reason. Many government party politicians raised the point that the Hungarian Government creates a precedent by renouncing certain rights. The prime minister said unequivocally that there is no question of any kind of precedent. This is a basic treaty concluded with another country.

[Jeszenszky] In one aspect it is indeed a precedent, as regards minority rights; it goes well beyond willingness, the signs of which I can see with our neighbors. On the other hand, we emphasized that we do not have a peace treaty with Ukraine; the situation with Ukrainian-Hungarian relations is the same as, let us say, Polish-Ukrainian relations. The Poles concluded a similar accord with the Ukrainians, with the same text. Germany also did not have any peace treaty with Poland and Czechoslovakia, and it concluded a similar agreement. In fact, the whole formula originates from this. This is why we call it the German formula.

[Kardos] Is it conceivable that we will conclude a similar agreement with the Romanians?

[Jeszenszky] It is certain that we will not conclude a similar accord, for no two accords are the same. If Romania, according to the requirements of the Hungarian population there, according to the international norms, even by returning to the principles of the 1919 minority protection agreement, will introduce a policy which would meet the consensus of the Hungarian minority living there—and this minority will propose that the text of a possible treaty is suitable for signing, and we also find it suitable, then we will conclude it with Romania also.

[Kardos] One more question. You have just left the Ukrainian ambassador. No doubt relations became more tense in the past few weeks...

[Jeszenszky, interrupting] No, it was not tense at all; it was very good.

[Kardos] In what sort of atmosphere did you part following the adoption of the treaty?

[Jeszenszky] I feel that perhaps he had greater doubts regarding the wisdom of the members of the Hungarian parliament than I had. For him, this result is a great joy. I congratulated him and at the same time emphasized my hope that we will progress, for several contributions which could be heard in the debate warned that the laying down of nice principles is not enough. I am very much hopeful that the Hungarian population will have local governments that will guarantee the safe future of the Hungarians of sub-Carpathia. [end recording]

Border Police Spokesman Discusses New Units

AU1205192393 Budapest UJ MAGYARORSZAG in Hungarian 10 May 93 pp 1, 5

["R.M."-signed interview with Border Police spokesman Attila Krisan; place and date not given: "The Action Unit Is Not a Commando Unit"]

[Text] The justification of action units set up by the Border Police turned out to be the most debated decision in recent months. Opposition parties protested immediately. Moreover, the Workers' Party went even further and said this government decision was the first element in the birth of a police state. Many people regarded it as a political chess game behind the scenes, and the strengthening of the border police was one essential step in this game. Could the action units aimed at strengthening the defense of our borders really become players in a game? We asked Colonel Attila Krisan, spokesman of the Border Police.

[Krisan] Let me answer this question with the often-mentioned fact that the Border Police operates in an apolitical way and on the basis of the laws and regulations stipulated by the Constitution. Obviously, we are an executive branch organization, and the very things I just mentioned provide the legal guarantees for our duties.

[UJ MAGYARORSZAG] Let us suppose that a domestic policy crisis emerges. Will the interior minister have the right to deploy the action unit set up at the Border Police, as several parties claim?

[Krisan] Excuse me, but for an exact interpretation of these matters, I must quote Article 8 of the Constitution: "The Armed Forces can be used in a state of emergency declared in accordance with the stipulations of the Constitution and when the use of the police is not sufficient, in case of armed attempts to overthrow the constitutional order or to gain exclusive power, and in case of serious violent events carried out by armed people or events massively threatening human life and the security of property."

[UJ MAGYARORSZAG] Yes, but the law also says that the Parliament, president, Defense Council, and the appropriate minister are eligible to control the Armed Forces. Can this be a loophole?

[Krisan] No, because the conditions for the deployment of the action units are so detailed that they preclude any use of these units for a domestic power struggle.

[UJ MAGYARORSZAG] Let us suppose that the interior minister orders you to defend the interests of one party or another. Can you refuse this order?

[Krisan] The existing legal guarantees make such a thing impossible but, naturally, we would have to refuse such an order because, as I already mentioned, we only carry out orders in accordance with the law, and not on the basis of party interests.

[UJ MAGYARORSZAG] What made it necessary to establish such action units?

[Krisan] Concretely, last year's Barcs affair was the reason that led to this, but the idea of strengthening the border defense emerged earlier. The fact that the Border Police, rather than the Army, deals with a border incident has a different foreign policy evaluation.

[UJ MAGYARORSZAG] No one questions the need for adequate defense of our borders. However, has the debate emerged about the affiliation of these units?

[Krisan] I would also add the lack of understanding regarding the name of these units. People imagine these action units as some kind of a commando organization. However, these are nothing more than trained and special border police units. Besides, their presence is very important in peaceful times, because they are also essential in controlling the border traffic and the large flow of refugees. Since 1 January, we no longer see regular soldiers at our border crossing stations. Our trained border guards carry out their duties everywhere: They control passports and the incoming and outgoing traffic, and they maintain order. I think this is the bottom line, and one should not look for political angles everywhere.

Motion for No-Confidence Vote Expected

WS1205115893 Warsaw TVP Television First Program Network in Polish 1000 GMT 12 May 93

[From the "Wiadomosci" newscast]

[Text] Solidarity leader Marian Krzaklewski is expected to suggest to the National Committee today that the trade union deputies submit to the Sejm a motion for a vote of no-confidence on the government. Krzaklewski considers this to be a better solution than the general strike, which is weakening the country.

[Begin recording] [Reporter Andrzej Radunski] Now it is clear that the quorum will be met during today's session. Journalists will most likely not be admitted.

[Stanislaw Alot, secretary of the Presidium of the National Committee of the NSZZ Solidarity] I would not like a decision that will be one-sided and unwise. It is true, however, that the failure of Monday's talks unfavorably affected the atmosphere within the trade union and was the last straw, in a way, in relations between the government and Solidarity.

[Prime Minister Hanna Suchocka] A question must be asked here; namely, those who submit such a motion should answer the following question: What next? That is, what is better? In these conditions of ours, there is no doubt that another destabilization would be the worst thing for all of us. I would say that it is a definite illusion to think that if something is changed, if we have another government, things will go faster. Well, we can see the scenarios: Each time a government steps down, things go more slowly at the beginning until things get done. Therefore, I think that changes in government after a few months in office are very unfavorable for the economic processes. [end recording]

KPN for Recall of Suchocka Cabinet

LD1205191693 Warsaw PAP in English 1659 GMT 12 May 93

[Text] Warsaw, May 12—The Confederation for Independent Poland (KPN) confirmed its support for a potential motion to recall the Hanna Suchocka government. Since this motion should be "constructive," that is, it should indicate a new prime minister the KPN has proposed its own leader Leszek Moczulski as candidate for the post, head of the KPN parliamentary floor group Krzysztof Krol told a news conference on Wednesday.

Krol also told reporters that the KPN caucus filed a motion with the prosecutors' office to open an inquiry against Finance Minister Jerzy Osiatynski. The KPN accuses him of performing his ministerial duties in a wrong way and of harming the Polish society by publishing a brochure on the newly introduced income tax principles. The brochure included wrong information on tax reliefs.

The KPN deputies will also forward a motion at the Sejm (Lower House) to recall Education Minister Zdobyslaw Flisowski and his deputies Anna Urbanowicz and Kazimierz Marcinkiewicz. The KPN also wants a no-confidence vote against Industry Minister Waclaw Niewiarowski, Krol reported.

Suchocka Views Possibility of Motion

LD1205163893 Warsaw PAP in English 1418 GMT 12 May 93

[Text] Warsaw, May 12—"If we were to believe that the forwarding of a no confidence motion interferes with the work of the government, then it (the government) should pack its suitcases," Prime Minister Hanna Suchocka stated Wednesday in connection with the possibility that the "Solidarity" parliamentary floor group may forward such a motion against the Suchocka cabinet following the Wednesday special sitting of the "Solidarity" National Commission in Gdansk.

She stressed however that "those who forward such a motion must know their next move. Under the present conditions there is no doubt that the worst thing for all concerned would be another destabilization," adding that "it is an illusion to think that the coming of a new government automatically means better times."

According to Suchocka, the president and the government are opposed to frequent changes of cabinet. However, the prime minister emphasized that she does not expect any help from the president if the no-confidence motion were to actually be lodged in parliament.

"The president can only call a new government, or dissolve the present parliament—these are the constitutional options at his disposal," added Suchocka.

The prime minister also said that she had not yet considered the possibility of resigning from government in the event that the president signs the amended law on the indexation of old age and disability pensions which would increase the budget deficit by an estimated 21 trillion zloty (1.22 billion USD).

"We would still like to present certain arguments and threats connected with this law. This is another example of the parliament obliging the government to perform impossible tasks," stated Suchocka.

Solidarity Prepares for General Strike

LD1205214293 Warsaw PAP in English 2121 GMT 12 May 93

[Text] Gdansk, May 12—The Solidarity National Commission resolved on Wednesday to announce a strike alert on Thursday, May 13, to prepare the union for a general strike to "force the implementation of agreements signed by the government and unionists." The commission also obliged the Solidarity parliamentary caucus to draw up a motion of no confidence in the government if a deal is not reached with Solidarity by May 18.

In a resolution adopted by the meeting, the Solidarity Commission accused the central administration of causing the recent "dramatic strike actions" with their "arrogance and attacks against the trade union."

The meeting also decided to support strikes by public sector workers. Spokesman for the National Commission Grzegorz Jaczynski told newsmen following the meeting that a 30-minute general strike is expected in the Silesian region on Friday while railwaymen are to stage a protest action next Monday or Tuesday.

During a conversation with newsmen, a Solidarity deputy called the possible passing of a motion of no confidence in the government "premature" at the present stage of negotiations but added he is convinced his caucus will accede to the request from the National Commission. "The consequences of such a decision would be however very serious and far-reaching," Jan Kulas said. He noted that this could include the possible overthrow of the government and the undermining of the present parliamentary-governmental alignment.

Planned Railroad Strike Possibly Suspended

LD1205161893 Warsaw Third Program Radio Network in Polish 1400 GMT 12 May 93

[Text] [Announcer] Today's negotiations between representatives of the government and Solidarity have ended with an agreement on the wording of the draft resolution to be passed by the government concerning the restructuring of Walbrzych region. Zbigniew Senkowski, deputy chairman of the Lower Silesia Solidarity, is speaking:

[Begin recording] [Senkowski] What we have come here for and what we have agreed on before our departure has been fulfilled. There have been certain declarations made by the prime minister, as well as her supervision, within her capabilities of course, which enable us to discontinue the sit-in at the office.

[Reporter] What is the chance of the strike being discontinued?

[Senkowski] I suppose there is a 50 percent chance. [end recording]

[Announcer] Minister of Industry and Trade Waclaw Niewiarowski has assured us that in this situation there will be no 12-hour strike of railwaymen, which was originally planned for tomorrow.

Walbrzych Solidarity Sees Possible End to Strike

WS1305095793 Warsaw TVP Television Second Program Network in Polish 0600 GMT 13 May 93

[From the "Panorama" newscast]

[Text] There is a chance that the strike in Walbrzych may be suspended. It arose after yesterday's talks with Premier Hanna Suchocka. On Friday, a special team will start work; its task will be to solve the social matters of the miners from the closed mines of the Walbrzych region. Both sides agreed on a correction of the government law concerning the restructuring of the region. The schedule of the next meetings was also made. Two meetings will take place next week in Warsaw; the third one will be in Walbrzych. The head of the Lower Silesian Solidarity said that he could see a good chance of suspending the strike action and of further work in a more peaceful atmosphere.

'No Money' To Bolster Government Funds

LD1205183193 Warsaw PAP in English 1537 GMT 12 May 93

[Text] Warsaw, May 12—The government is planning to present its information concerning the current situation in Poland and the problems of the public sector to the Sejm (Lower House) on Friday, Prime Minister Hanna Suchocka said Wednesday following a one-hour meeting with the leaders of all parliamentary floor groups.

"I do not see solutions consisting in the creation of artificial money. We want to give real money to the public sector, and this can only be ensured by an efficient economic system," added the prime minister.

Deputy Prime Minister Pawel Laczkowski, in connection with the president's appeal to increase the inflow of funds into government coffers, concluded that "there is no money" after having analysed the financial health of the state in cooperation with Finance Minister Jerzy Osiatynski.

"The government stands firm on the position that it can only distribute the funds it actually has. It cannot make ficticious and cheap promises serving only to keep its (governmental) seats," added Laczkowski.

Laczkowski also declared his readiness to begin talks with the "Solidarity" Trade Union. "We are continually renewing our offer to ('Solidarity') Chairman Marian Krzaklewski. Reaching an agreement is of importance for the government."

During the meeting Prime Minister Suchocka also tried to convince the parliamentary floor group leaders of the importance of Thursday's Sejm sitting which is to deal with the state enterprise pact.

"Where the pact is concerned there is no conflict—it should pass through the Sejm quite quickly. The main conflict exists in the area of the state's responsibility toward citizens. The government concludes that since 12.5 per cent of health care institutions and 10.5 per cent of schools are on strike, things are not so bad. This is not a starting point for any kind of discussion," stated Krzysztof Krol of the Confederation for Independent Poland (KPN). It is expected that the KPN will support budget amendments designed to increase spending on the public sector.

Leader of the "Solidarity" Trade Union Sejm floor group, Bogdan Borusewicz expressed his satisfaction at the fact that the government still intends to implement the pact on state enterprise, adding that for the moment "Solidarity" is not forwarding a no- confidence motion against the government.

Democratic Union Council Elects Leadership

AU1205200093 Warsaw RZECZPOSPOLITA in Polish 10 May 93 p 2

["M.S."-report: "The UD Chooses Its Leadership"]

[Text] On 9 May at the first meeting of the Democratic Union [UD] Council, the party's top leadership (the so-called presidium), consisting of 17 members, was elected. Among those who did not stand for election to the body were Jan M. Rokita, Zofia Kuratowska, Barbara Labuda, and Tadeusz Syryjczyk.

Off the record, each gave a different reason for declining to stand.

The council approved amendments to the party platform. That was because at the congress two weeks ago, a final version of the platform could not be drawn up. A resolution was also adopted on the situation in the health service and on the dismissal of the deputy minister in the health ministry, Marek Balicki (UD).

UD politicians decided that the "the process of reforming the health service is threatened." There is a dispute within the government between two factions: the interdepartmental one, of which Marek Balicki is a member, and the one linked to the Council of Ministers Socioeconomic Committee. The UD supports the concept of the interdepartmental team, while believing at the same time that the KSERM proposal should not be completely rejected. A four-member team, chosen by the UD Council, is to prepare a position. The UD appealed to the government to make a decision on reforming the health service as quickly as possible.

In another resolution, the council described the situation in education and the health service as dramatic. The trade unions and the government are at fault—the payment of wage increase arrears takes too long.

Acceding to the strikers demands would, however, result in a catastrophe for this year's budget. Strikes during the high school graduation examination and blocking entrances to hospitals "is completely unacceptable."

Despite plans to do so, the UD leadership did not express its position on the current political situation in the country—the future of the government following the departure of the Peasant Accord or about relations between the Belvedere and the Hanna Suchocka government. On the sidelines of the meeting, the prevailing mood was one of pessimism, and there was a lack of ideas about how to overcome the present situation.

These issues will probably be addressed by the newly-elected presidium, which by virtue of the office they hold, included the chairman, Tadeusz Mazowiecki, and his three deputies, Bronislaw Geremek, chairman of the UD Parliamentary Club, and the general secretary, Andrzej Machowski. Those elected included Jerzy Osiatynski, Waldemar Kuczynski, Ludwik Wujec, and Marek Balicki.

Slight Fall Noted in April Unemployment

LD1205215993 Warsaw PAP in English 2135 GMT 12 May 93

[Text] Warsaw, May 12—The number of registered unemployed fell by just over 6,000 in April compared with March, to stand at 2.64 millions, Deputy Labour Minister Michal Boni announced in Warsaw on Wednesday.

The decline of 0.2 percent leaves the total percentage of jobless at 14.3 percent of the adult labour force. Out of a total fall of 6,274 in the jobless figures, nearly 26 percent

Related to workers taking early retirement, or embarking on full-time studies, with a further 21.7 percent being employed in public works or emergency intervention projects.

EFTA Meeting on Trade Exchanges Concluded

AU1205200493 Bucharest ROMPRES in English 1528 GMT 12 May 93

[Text] Bucharest ROMPRES 12/5/1993—The proceedings of the Romania-EFTA [European Free Trade Association] economic committee's meeting ended at the Victory Palace (headquarters of the Romanian Government) on Wednesday, May 12.

The talks of the meeting's last day approached the new cooperation arrangements between the two economic committees (Romanian and of the EFTA), and the conclusions were on the one hand that an increase of economic exchanges depended on the proper functioning of the free trade agreement (recently come in force) and on the other hand that an increase of the two partners' economic interdependence had to be based on detailed discussions of the matters related to free commercial exchanges.

Negritoiu Terms Talks With G-24 Group 'Successful'

AU1205191093 Bucharest ROMPRES in English 1205 GMT 12 May 93

[Text] Bucharest ROMPRES, 12/5/1993—The meetings of the Group of 24 and the Consultative Group have been successful, Minister of State Misu Negritoiu told a ROMPRES correspondent in Brussels. "The donors—international financial bodies and the Romanian executive reached consensus on the reform and restructuring policies in the governing programme, on the size of the foreign assistance to be granted to Romania. Sources have been identified able to cover most of the demands of the Romanian party." Concrete offers have been discussed, concerning the IMF and the World Bank (the stand-by agreement and the second tranche of the loan), other donors will contribute at least two thirds of the sum necessary to cover the deficit of the balance of payments. Two other programmes were sketched, with the World Bank and EBRD [European Bank for Reconstruction and Development], for the 1994 balance of payments, for financial and industrial restructuring. Non-reimbursable technical assistance is in view first of all, both to back restructuring and the reform and for investments, that will total $200 million in 1993.

Misu Negritoiu mentioned that relief consisting in food had been discussed, the most substantial contribution for 1993 and 1994 being announced by Italy. Commercial credits for exports and investments were another item on the agenda, to be decided in keeping with concrete projects, but which will be at least at the level of 1992.

SRI Denies Training Terrorists in Moldova

AU1305111793 Bucharest ROMPRES in English 0910 GMT 13 May 93

[Text] Bucharest ROMPRES, 13/5/1993—Groups and persons pursuing the systematic degradation of the inter-Romanian relations as well as the deepening of the crisis and instability in the area have circulated again the false news that "the Romanian special services, together with the extremists of the People's Front of Moldova, are training terrorists for a coup d'etat in Chisinau and for diversions" in Ukraine, reads a release from the Romanian Intelligence Service [SRI]. The SRI press office has been commissioned to state in this connection that the news "is only a fanciful and tendentious reiteration of pieces of information of the same kind circulated by the same publications a few months ago... Those groups and persons assume grave responsibility since there is no doubt that the truth in this respect will be restored soon. Dirty schemes, ill will and gross distorted interpretation of attitudes and facts cannot be for a long time substitutes for normal inter-state relations without bringing about mutual damage," the statement reads.

The SRI press office recalls that as the information emerged, investigations were made "by the state bodies of the Republic of Moldova," which proved the false character of the information circulated by some publications.

Politicians See Liberalism as Solution to Crisis

AU1305105593 Bucharest ROMPRES in English 0706 GMT 13 May 93

[Text] Bucharest, ROMPRES 13/5/1993—A series of debates started in Bucharest on Wednesday, 12 May, organised by the Civil Society Foundation of the Civic Alliance Party together with the Rene Radu Policrat Free Foundation.

In the opening address, deputy Calin Anastasiu, member of the Liberal Civic Group within the Civic Alliance Party, mentioned that the debates are aiming to find a proper working formula for enabling the liberal formations to join and offer a concrete governing alternative. Starting from the idea that the strengthening of the Liberal Party would mean a gain for the Romanian political life, Calin Anastasiu stated that the unification of the liberal movement has to be done under an organisational plan, but not neglecting the ideological one.

In their addresses, Stelian Nastase (Civic Alliance Party), Alexandru Popovici (Civic Alliance Party) and Valeriu Stoica (Liberal Party) stressed on the idea that liberalism is currently representing a unique political solution for bringing Romania out of the crisis.

Government, Unions Resume Salary Negotiations

AU1205165293 Bucharest ROMPRES in English 1134 GMT 12 May 93

[Text] Bucharest ROMPRES, 12/5/1993—Representatives of the executive and trade unions signatories to the government-unions protocol concluded last week have met this morning (May 12) at Victory Palace [government headquarters]. One party is represented by the CNSRL [National Confederation of Romania's Free Trade Unions], Fratia, Ceres, and Univers confederations' leaders, the other by experts from the ministries of labor and social protection, finance, industries, the National Statistics Board, and Iacob Zelenco, special representative of the government for the liaison with the unions.

Projects of normative acts are going to be discussed on the duties of natural and artificial persons to ensure at least the payment of minimum salaries on the economy to their employees, on the modification of the government decision regarding compensations and indexations, and on the minimum salary starting May 1993. Issues will also be tackled on a lower pace of salary increase in 1993 to curb inflation and unemployment.

Prosecutor General Reviews Anticorruption Measures

AU1205120793 Bucharest ADEVARUL in Romanian 10 May 93 pp 1, 3

[Interview with Prosecutor General Vasile Manea-Dragulin by Sergiu Andon in Bucharest on 7 May: "Bureaucracy Facilitates Corruption"]

[Excerpts] [Andon] Mr. Prosecutor General, you were appointed on 15 April, but you held your first news conference only yesterday, 6 May, and you agreed to grant this interview, which our newspaper has asked for so insistently, only today, Friday, 7 May. Why the delay? Did you work out a certain strategy for the Prosecutor Office's dealings with the press in the meantime? How do you view the limits of openness—or the lack of such limits—in the activity of your institution?

[Dragulin] I do not believe that one can talk about limits. We want to ensure a greater access for the mass media to the information available to us, with two conditions: respect for the principle of presuming that a person is innocent until proven guilty and observance of the nonpublic character of criminal investigations. On the other hand, we would like to secure greater media coverage of our activities, which are generally unknown to the public at large.

[Andon] A couple of years ago, President Ion Iliescu said that there is corruption, which must be combated at all levels, but that the most significant thing is not the growth of the phenomenon as such but the fact that there is more open talk about the cases of corruption. Do you believe that this still applies to the current circumstances? Do you think that corruption is relatively stagnant now, or is it slightly growing?

[Dragulin] I believe we are dealing here with an overall growth, generated by the new social relations emerging within the framework of the market economy. Many new institutions—trade companies and state bodies—have appeared, their needs are continuously growing, and the possibilities of satisfying these needs are limited. Hence, public servants are under a certain amount of pressure, which occasionally leads them to violate the provisions of the Penal Code.

[Andon] Apropos the centralized or market economy, which one do you think is more prone to facilitate corruption?

[Dragulin] I believe it is the market economy.

[Andon] Why?

[Dragulin] Because, in an overcentralized type of economy like the one we had in our country, the relations within the economy functioned by virtue of a totalitarian mechanism. Now they are being regulated by other mechanisms specific to this transition period. We still have not yet created all the necessary bodies for it. The fact that we have not yet set up a body to check the way in which public money is spent proves how necessary it was to create the Court of Accounts and involve it in this activity, too.

[Andon] Nevertheless, assuming that the transition period is behind us, which one of the two types of economy is likely to generate more corruption?

[Dragulin] I believe it is still the market economy, because the social relations are free and not supervised. A pretty high level of corruption has existed in the past, too, but those corruption acts were not made public. As far as we are concerned, the corruption phenomenon as such has also acquired scope due to the fact that these infringements are accompanied by other crimes such as embezzlement, fraud, and economic and banking violations. They will exist after we overcome the transition period, too, because the emergence of the banking system generates crimes that did not exist before. [passage omitted]

[Andon] Between an intransigent political regime and a free political regime, which one is more prone to the phenomenon of corruption and why?

[Dragulin] The phenomenon is most complex and has many causes— economic, social, and even political ones—so that it exists regardless of the political system of social leadership. It is obvious that corruption cannot be combated by the legal bodies alone. Other legislative measures should also contribute to its reduction. For instance, simplifying the formalities for setting up a trade company can implicitly lead to eliminating intermediary links, which are often sources of corruption.

[Andon] Therefore, in an administrative structure that functions perfectly or well, correctly, and efficiently, one can exclude large scale corruption.

[Dragulin] Of course, its existence can be reduced. [passage omitted]

[Andon] Changing the subject, do you consider the abolishment of the death sentence for first degree murder as premature or not?

[Dragulin] I believe it was primarily a political decision. Then, it was also an act imposed by legal necessity. Personally, I believe that an irreversible punishment, such as the death sentence, is objectionable to any penal legislation. The risks are too high...

[Andon] The risks of a judicial mistake?

[Dragulin] Yes, in this situation the risk of a judicial mistake is too great. [passage omitted]

[Andon] How many prosecutors are you short of now? An approximate figure, so to say...

[Dragulin] Some 800.

[Andon] What are your immediate targets for the coming period?

[Dragulin] We will concentrate on penal activities and the restructuring of the legal apparatus. [passage omitted]

Mihai Urges Reconstruction Effort, Conciliation

AU1205200193 Bucharest ROMANIA LIBERA in Romanian 10 May 93 p 3

["Message by His Majesty King Mihai to the Country"]

[Text] Romanians!

Today, on 10 May, we are celebrating the arrival of Prince Carol on Romanian soil, the anniversary of the proclamation of Romanian independence, and the forging of our kingdom. Let us reflect together on the importance of this anniversary for the Romanian state and people.

Then, like now, our country was surrounded by unrest caused by the downfall of empires. Then, like now, Romania was facing reconstruction. Throughout several decades the country prospered. Under the reign of King Carol I, Romania was recognized internationally and its borders were strengthened. Then, under King Ferdinand I, my grandfather, the union of all Romanians within a single state was finally achieved. Even if today we are poor and overwhelmed by social problems, let us not forget for a single moment our achievement. At the crossroads of empires and under the most difficult conditions, we survived as a nation. This is the true sense of pride for Romanian history, which none of our children should forget.

It was our ancestors' task to achieve and preserve our independence, as this is our task today. Independence was accomplished with so much valor by our Army that today it is our duty to think primarily of it.

The assault by the foot soldiers against the Grivita redoubt was just one of the victories won in the longstanding history of the Romanian Army. No one can forget its bravery in the struggle, and my own greatest honor was to wear its uniform.

I know that in the past decades our Army was ignored, manipulated, and used as an inexpensive labor force. The current transformation process of our Army must serve as an example for all Romanians. The Army is promoting relations of cooperation with our neighbors. The signing of the first European "Open Skies" accord augurs well in this respect. The ideological indoctrination of soldiers has ceased and young officers have been promoted to responsible positions.

There is no doubt that there are still numerous difficulties, especially as far as the budget and equipment are concerned. But aside from this, there is the example of our Army, which is above political partisanship. Romanian soldiers and officers have resumed their traditional role of defending the sovereignty and borders of the country. My thoughts turn to them today.

Romanians!

Democracy cannot be born through violence and Romania cannot part with the communist dictatorship by launching another witch hunt. My position in this respect has always been clear. The majority of Romanians had no choice. They had to cooperate with the communist regime in order to survive. Those who in the past worked for the benefit of the country can do so now without any fear. Those who have settled abroad have to lend reconstruction a helping hand. Let us stop dividing Romanians into "good" and "bad." All Romanians have to play a role and all have to play it without fear and in a spirit of sacrifice. The example set by the Almighty is tolerance, and our church has always believed in its power of deliverance.

I cannot conclude without addressing our brethren and sisters who are still living outside the country's borders. Lately we are witnessing attempts to revive the aberrant idea about the existence of a so-called "Moldovan nation." Today I would like to warn those who disseminate such ideas that they bear great responsibility for the consequences of their actions. No honest Romanian will tolerate such manipulations and gross falsification of our past and current national status. Similar attempts to divide us have been made before. They failed, and surely the current attempts will fail as well.

Romanians!

Let us dedicate our efforts to national unity and reconstruction! Let us have confidence in our future like our soldiers, officers, and politicians used to have! I, for one, propose to fully devote myself to reconstruction and national reconciliation. This is without paying any attention to attempts to deceive your good faith with false information about alleged activities of mine. Follow the inspiration of your conscience, let yourself be guided by love for the country, and together, we will be successful!

HVO, Bosnian Army Leaders Sign B-H Cease-Fire

LD1205180493 Zagreb HTV Television in Serbo-Croatian 1730 GMT 12 May 93

[Text] In the presence of General Morillon, the UNPROFOR [UN Protection Force] representative, Gen. Milovan Petkovic [leader of the Croatian Defense Council, HVO] and Sefer Halilovic [leader of the Bosnia-Herzegovina Army] signed a cease-fire agreement for all of Bosnia-Herzegovina in Medjugorje this evening.

The agreement envisages free movement on the Doljani-Mostar-Jablanica-Konjic-Pazaric-Pacin-Kiseljak, Visoko-Tuzla, Posusje-Prozor, Gornji Vakuf-Travnik-Zenica, and Vitez-Busovaca roads. Only the civilian police will patrol the roads.

The agreement also envisages the withdrawal of Muslim units in Mostar to Juzni Logor and the Konak barracks and the withdrawal of the HVO units in Mostar to the Sjeverni Logor and Heliodrom barracks. The withdrawal will start after 1000 GMT on 13 May, when UNPROFOR units are due to be placed in their positions.

In the Kostajnica and Konjic areas, HVO units will be placed in several villages and Muslim units will withdraw from the area to their villages. The agreement also envisages the release of all civilian prisoners by 13 May.

Free Movement Guaranteed

AU1205183293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 12 May 93

[Text] We have just received the latest news. An agreement was signed today near Mostar to halt hostilities in Bosnia-Herzegovina between the Bosnia-Herzegovina Army and the Croatian Defense Council [HVO]. The agreement [words indistinct] Bosnia-Herzegovina and the HVO, between Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, and Mate Boban, representative of the HVO, that is, [word indistinct] before this order that concerns the end of hostilities.

According to the agreement signed today, free movement is guaranteed not only for UNPROFOR, EC observers, and humanitarian organizations, but [words indistinct] in Bosnia-Herzegovina. [passage indistinct] Freedom of movement is also guaranteed to civilians. Mixed police units with the help of the UN civil police will establish checkpoints and patrols on the roads. The Army will not control traffic movement. [words indistinct] of the Vance-Owen plan, the mixed units will consist [words indistinct] after the agreement of the police forces. The Spanish UNPROFOR Battalion is supposed to be deployed on both banks of the Neretva River, that is, [word indistinct] of this agreement.

[Word indistinct] deployed in Jablanica will continue to patrol the Jablanica-[word indistinct] and Jablanica-(?Kostajnica) roads, and [words indistinct] Ostrozac. The British battalion will continue to patrol the Jablanica-Prozor-Gornji Vakuf road. According to the agreement signed today, all military units will withdraw to their barracks after the UNPROFOR units are in position [words indistinct]. (?Both sides) agree that the civilian prisoners should be released immediately and unconditionally. This should be completed by (?30) May 1993. [word indistinct] of prisoners of war will be [word indistinct] to international [words indistinct]. Both sides will establish [words indistinct] to whom they will guarantee safety. Any disputes that might arise from this agreement will be solved through [words indistinct] the EC [words indistinct].

Generals Agree To Truce

AU1205182393 Paris AFP in English 1806 GMT 12 May 93

[Excerpts] Sarajevo, May 12 (AFP)—Bosnian Moslem and Croat military chiefs agreed to a new truce Wednesday to halt fighting around the southern city of Mostar, Radio Sarajevo said, as it emerged that Croat forces were holding 1,300 Moslems in a nearby camp.

The new truce, signed as fighting continued despite a similar accord Monday, came after talks between Bosnian General Sefer Halilovic and Bosnian Croat General Milivoj Petkovic brokered by U.N. Protection Force commander General Philippe Morillon.

The agreement, reached after talks at Medjugorje, southwest of Mostar, calls for the combatants to withdraw to their barracks by noon (1000 GMT) Thursday, the radio said.

The two sides are to exchange prisoners, handing lists to the International Red Cross by 1100 GMT Thursday, while there is to be freedom of movement on the main roads of Herzegovina and central Bosnia. [passage omitted]

In a separate bid to enforce a ceasefire in the region Wednesday, Croatian President Franjo Tudjman offered to meet his Bosnian counterpart Alija Izetbegovic, Radio Zagreb said.

The radio said Tudjman was also inviting the international mediators for former Yugoslavia, Lord Owen and Thorvald Stoltenberg, to attend the summit with Izetbegovic in Mostar.

At a meeting with his defence and security chiefs Tuesday night, Tudjman appealed to "all the Moslem and Croat forces to cease hostilities immediately," the radio said.

Separately, a senior official of the U.N. High Commissioner for Refugees warned that the behaviour of Croatian militia in Bosnia-Herzegovina could lead to a mass exodus of 200,000 to 300,000 Moslem Slavs.

Citing fighting in the Vitez and Kiseljak regions of central Bosnia and at Mostar to the south in Herzegovina, special envoy Jose Maria Mendiluce said, "We could (see) a massive movement of population, up to 200,000 or even 300,000 people," Mendiluce said. That would "aggravate the already horrible situation central Bosnia is confronted with," he added.

UNPROFOR Reports Fighting Abating in Mostar

AU1305084393 Paris AFP in English 0734 GMT 13 May 93

[Text] Zenica, Bosnia-Herzegovina, May 13 (AFP)—Shelling abated in the southern city of Mostar but small-arms and sniper fire continued ahead of a deadline for separating battling Croat and Moslem forces Thursday, U.N. military officials said.

Captain Bill Karaktin, a spokesman for the United Nations Protection Force (UNPROFOR) said there was no indication whether the two sides had begun to disengage as agreed Wednesday night.

General Sefer Halilovic, military commander of the Moslem-led Bosnian government, and his Croat counterpart Milivoj Petkovic had agreed to complete the separation of their forces by noon (1200 GMT).

"There has been a decrease in the amount of shelling and mortar fire," Karaktin said by phone from UNPROFOR's Bosnia command headquarters in Kislejak. "But there is still small-arms and sniper fire."

Halilovic and Petkovic were with General Philippe Morillon, commander of U.N. forces in Bosnia, and chief European Community monitor Jean-Pierre Thebault at the headquarters of a Spanish U.N. battalion outside Mostar.

Morillon had hoped to get into Mostar on Wednesday but was blocked. It was not immediately known whether he was making another try on Thursday.

A company of about 100 Spanish soldiers was reported making its way into Mostar under difficult conditions to try to shore up a ceasefire negotiated by Croat and Bosnian political leaders on Monday.

Soldiers of the Croatian HVO army launched an attack in Mostar early Sunday in an aparent move to chase Moslems from the key city in an area that is to be Croat-controlled under an international peace plan.

Fighting was also reported overnight around the town of Jablanica to the north, but few details were available, Karaktin said.

Mostar 'Quieter'; HVO Attacks Jablanica, Konjic

AU1205144693

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT on 12 May carries in its regular 38-minute newscast reports from Mostar, Jablanica, and Konjic on the fighting between the Bosnia-Herzegovina Army and the Croatian Defense Council [HVO].

The studio announcer says that "according to the information from the Bosnia-Herzegovina Army Fourth Corps Command, the fighting in Mostar is letting up. Units of the HVO and the Bosnia-Herzegovina Army are in the same positions as yesterday. There is no major shelling or destruction, but sporadic small arms fire can be heard. Still, it is quieter than it has been over the last few days. The Fourth Corps Command and its glorious 41st Motorized Brigade have received news that some citizens who managed to escape the terror of the HVO have stated that some 700 civilians are being held prisoner at the airport. The men are locked up on the first floor, while the women and children are in the basement. Some men have also been taken to the infamous camp in Ljubuski. Seeing this unprovoked terror against Muslims, many Croats today crossed to the left bank of the Neretva River so as to come under the protection of the Bosnia-Herzegovina Army, and wishing to distance themselves from these crimes."

Haldo Dervisbegovic reports from Jablanica that "throughout the night and until 1200 [1000 GMT] today, HVO extremists fired provocatively at the fighters of the Bosnia-Herzegovina Army, defending Jablanica. Apart from the regular small arms fire, they used mortars, and snipers, firing fragmentation ammunition."

Reporting from Konjic, Borka Rudic says that "today will be remembered for the heavy artillery attacks. Early this morning these attacks began on the town from the positions of the Serbian-Montenegrin aggressor, the Chetniks, and the HVO. The attacks intensified just after 1100, when from the Chetnik positions in (?Vrabac) and Bijela, the town was pounded with 120-mm mortars and recoilless guns. Dozens of shells landed on the very center of the town. Since the shelling is still in progress, there is no way of telling what the casualties might be." She says that "fighting has also intensified in the valley of the Neretvica River, where HVO infantry forces are attacking Muslim villages, while the Chetniks are using their artillery against the same villages. The Bosnia-Herzegovina Army fighters have launched a counterattack, liberating a considerable part of the captured territory, and the dominant positions from where until yesterday HVO artillery was destroying the Konjic villages. Fierce fighting is also under way for the defense of (?Breznica), which has come under attack by the HVO and the Croatian Army from all sides."

Fighting Reported in Konjic, Maglaj

AU1305101493

[Editorial report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 13 May carries, in its regular 12-minute newscast, several reports on the fighting in the republic.

Efrem Badzak reports from Konjic that "overnight, Konjic was the scene of fierce shelling that came from the direction of the positions of the Serb-Montenegrin aggressor and local Chetniks, who are now carrying out their attacks on the town together with the Croatian Defense Council [HVO]."

This morning's North Herzegovina Operations Group command statement says that the shelling of Bosnia-Herzegovina, as "the victim of a double aggressor, has continued (?yesterday), overnight, and this morning." "The combined forces of the Chetniks and the HVO," says the statement, "are advancing from three directions."

Yesterday, overnight, and this morning, "hundreds of projectiles of three calibers have landed on the city and the surrounding villages. The material damage is enormous, while five people were wounded, two of them seriously."

The citizens of Konjic are being wounded "not only by shrapnel, but also by incessant sniper fire, fired at the city by HVO snipers. The [word indistinct] snipers are preventing humanitarian and medical organizations in [word indistinct], while going for medical help to the hospital situated on the outskirts of town represents a certain risk. This is how the first hours are passing after the signing of the cease-fire by the commanders, Halilovic and Petkovic."

Citing the statement of the North Herzegovina Operation Group, the reporter says that "the Bosnia-Herzegovina Army is forced to use a part of its forces to return fire and thus protect the city and the innocent population. The situation is similar in the (?Menacica) River valley, and in the area of the (?Meglajica) municipality."

Mostar Press Center reports that "Mostar is not burning this morning, unlike the past four days, when it was the scene of the fiercest fighting in the past 13 months of war in Bosnia-Herzegovina. Sporadic fire from antiaircraft machine guns and guns echoed through the city, overnight and this morning, accompanied by sporadic explosions caused by mortars."

Hajrudin Seronic reports from Maglaj that "the fiercest attacks are coming from the (?Jovici) stronghold. While we are reporting this, the population is in the shelters. The attack started last night, when the Chetniks used mortars, antiaircraft guns and machine-guns. There are indications that a conflict broke out between the Chetniks in (?Grubnica)." Early this morning the Chetniks "attempted a fierce infantry breakthrough, with the support of mechanized-armored forces and artillery, but our defenders repelled them bravely. The soldiers of the Bosnia-Herzegovina Army and the HVO forces are jointly, successfully, and firmly defending the free territory, while morale is at an exceptionally high level."

Adnan Zonjic reports, from Zavidovici, that "tens of projectiles and mortar shells landed on this region before the aggressor's infantry attack. The defenders were forced to return strong fire. Battles are in progress, while the civilian population [words indistinct] is warned to be very cautious. Yesterday the Chetnik provocations gained [word indistinct] and were most intense on (?Ruja). Around midnight, the aggressor attempted an infantry attack in (?Triljevo), but he was pushed back to its original positions. The latest reports from the (?Ruja) region say that the fighting continues."

In his report from Olovo, Velid Djindjo says that "the latest cease-fire is not holding in Olovo. Sporadic artillery and infantry provocations escalated into a fierce attack on the city two nights ago, which the defenders successfully repelled. Yesterday's [word indistinct] enemy fire on the Olovo front lines escalated into yet another vicious howitzer and mortar attack on the city and its defenseless civilians at 2230 [2030 GMT]. In just one hour dozens of large howitzer and mortar shells landed on this destroyed city. The Muslims, Croats, and a significant number of Serbs are left to the mercy to [words indistinct] in this region."

According to the studio announcer "Sarajevo is quiet this morning."

UN Reports Muslim Civilians Held

AU1205150693 Paris AFP in English 1452 GMT 12 May 93

[Text] Zagreb, May 12 (AFP)—Bosnian Croat forces are holding about 1,300 Moslem men, women and children in a factory and gymnasium outside Mostar, the south Bosnian city which the two sides have been fighting over for three days, the United Nations announced here Wednesday.

U.N. military observers gained access to the camps Tuesday evening, said the U.N. Protection Force (UNPROFOR) spokesman, and found the detainees to be "anxious" but apparently unharassed.

"They insisted they were well treated," said the spokesman of the inmates.

The Croat forces (HVO) had admitted Monday, the day after the battle began, that they had bussed Moslems out of the city, but claimed the evacuation was for the civilians' "security".

The detainees had mats to sleep on, but not much food and lacked blankets, the spokesman added.

The Moslems in the gymnasium "are not in as good a condition as those in the factory."

"Women and children are on one floor (of the gymnasium), and the men on another."

The observers warned that conditions in the camps could deteriorate as another 300 detainees were due to arrive.

The spokesman said that the rival commanders, General Sefer Halilovic of the Moslem-led Bosnian government forces and General Milivoj Petkovic of the HVO, were meeting Wednesday afternoon with U.N. General Philippe Morillon in Medjugorje, 20 kilometres (13 miles) outside Mostar, in a bid to stop the fighting.

Brcko Territory Comes Under Artillery Attack

AU1305112393 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 13 May 93

[Text] Just as we were expecting news about calm on the Bosnia-Herzegovina battlefields, we received a report from Brcko. Namely, the free territory of Brcko is entirely in flames. The enemy launched an exceptionally fierce attack this morning at 0830 [0630 GMT].

[Begin recording of correspondent's report] Tanks from (?Patnici) and (?Lukici) [words indistinct] and inflammable grenades are destroying and setting fire to (?Ulovic), Bajice, and Bukovac. Tank shells and grenades of 60-mm, 80-mm, and 120-mm caliber [words indistinct]. The situation is most critical in Dizdarusa and Omerbegovaca, which the enemy is pounding with howitzers, tanks, 120-mm howitzers, recoilless antiaircraft guns, and is literally reducing the villages to rubble. This part of [word indistinct] was attacked by Chetnik infantry at 0900. The defenders repelled the first wave of the attack and caused them significant losses in manpower. However, Karadzic's kamikaze [words indistinct], treading over their dead companions, continue storming Dizdarusa and Omergevaca. The Brcko heroes are waging a battle for the life or death of over 50,000 inhabitants of the free territory of Brcko. [Words indistinct] which we have been sending in recent days, thus warning that the Chetniks were preparing an [word indistinct] offensive, were not accepted with understanding. That is why we once more request that international monitors are urgently stationed on the free territory of Brcko. We believe that this is the only thing that can deter the fierce attack of the Chetniks. The free territory of Brcko came under heavy artillery attack at 1025. Two people were killed, while four were wounded. According to information we have just received the aggressor is preparing to attack the right wing of the Brco [word indistinct]. Just outside Lipovac, [words indistinct] eight tanks, six pragas [heavy machine guns], and four personnel carriers. Do the Brcko heroes have to defend Bosnia from the Chetnik corridor on their own? [end recording]

Serb Forces Stop Two UN Helicopters

AU1205141293 Paris AFP in English 1402 GMT 12 May 93

[Text] Sarajevo, May 12 (AFP)—Bosnian Serb forces stopped two U.N. helicopters Wednesday from evacuating wounded from the encircled Moslem enclave of Zepa in east Bosnia-Herzegovina, the United Nations Protection Force (UNPROFOR) said.

The Serbs grounded the helicopters after they landed at Sokolac, a town 40 kilometres (25 miles) from Zepa, because they objected to the fact that Becir Heljic, the leading representative of east Bosnians in Sarajevo, was a passenger, reported UNPROFOR's Major Luuk Niessen.

The helicopters, which were due to evacuate some 30 seriously wounded persons, had stopped at Sokolac as part of an agreement to allow the Serbs to check that they were not carrying arms or ammunition to the enclave.

U.N. observers first entered Zepa Sunday under a ceasefire agreement brokered on the weekend between Serb and Moslem forces. Serb artillery had heavily bombarded the town the previous week as part of a long siege of the enclave.

Meanwhile in the southeast region of Konjic, the Moslem-dominated Bosnian army violated the ceasefire Wednesday with an attack on three Serb villages that killed three Serb militiamen, the Bosnian Serb news agency SRNA reported in Belgrade.

The attack began at midday and was continuing three hours later, SRNA claimed.

UNPROFOR Helicopter Hit by Small-Arms Fire

LD1305103693 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 13 May 93

[Text] An UNPROFOR [UN Protection Force] helicopter was hit around 2000 [1800 GMT] last night in the area of Mount Studenacka in the Prozor municipality, it has been revealed today in the Information Department of the Croatian Defense Council [HVO] of the Croatian community of Herceg-Bosna.

The helicopter was hit by fire from infantry weapons by members of Muslim forces, after which the aircraft landed in the village of Donja Vast [five Km south-east of Prozor].

Ministry Spokesman Explains Request for UN Withdrawal

AU1205164593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 1 May 93

[Nada Rajkovic report]

[Excerpt] [Rajkovic] At the beginning of his news conference, Miroslav Jancic, spokesman for the Ministry of Foreign Affairs, commented on the recent statement by [Foreign Minister] Haris Silajdzic that the representatives of the United Nations should pull out, as they are an obstacle to military intervention in Bosnia-Herzegovina.

[Begin Jancic recording] We would like to stress that this is a conditional, hypothetical statement, which can serve well as an argument in the discussions on further actions by the international community in Bosnia-Herzegovina, but it does not in any case represent an official call for

UNPROFOR and UNHCR to pull out, nor has the Bosnia-Herzegovina Government discussed such as move. [end recording]

[Rajkovic] Miroslav Jancic also [words indistinct] under whose command the U.N. forces should work on the implementation of the peace plan.

[Begin Jancic recording] So as to have effective and unified action by a huge contingent of over 50,000 troops from all sorts of countries, we believe that their operations should be coordinated by NATO, as its forces will present the axis of the corps, their members have the most vested interest in this region, and their command mechanism has already been tested. [end recording] [passage omitted]

Serb Leader Asks UNPROFOR To Facilitate Referendum

LD1305075093 Belgrade TANJUG Domestic Service in Serbo-Croatian 0634 GMT 13 May 93

[Text] Belgrade, 13 May (TANJUG)—Momcilo Krajisnik, president of the People's Assembly of the Serb republic [in Bosnia-Herzegovina], sent a letter today to General Philippe Morillon, UN Protection Force [UNPROFOR] commander for former Bosnia-Herzegovina, asking him, in line with the decision of the Serb republic People's Assembly, to enable the citizens of the Serb republic living in territories under Muslim and Croat control in Tuzla, Mostar, Sarajevo, Bihac, and Gorazde to vote at the referendum scheduled for 15 and 16 May this year, SRNA reports.

"It is necessary that UNPROFOR should provide safe and unhindered passage to the closest polling station in the Serb territory and for the return to their homes after voting to all those in the mentioned towns who wish to vote at the referendum, ie, to exercise their democratic right," the message says.

Krajisnik's letter warns that UNPROFOR is dutybound to protect the Serbs living under Muslim military authorities, and who exercise their democratic right to vote, from possible maltreatment or pressures when they return home, SRNA says.

Serbia Allegedly Prepares To Deport Bosnian Serbs

AU1205194293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 12 May 93

[Text] According to information from sources close to Western diplomatic circles, Slobodan Milosevic and Momir Bulatovic, dissatisfied with the result of the vote at the Pale assembly rejecting the Vance-Owen plan, have decided, under pressure from the international powers, on the urgent implementation of punitive measures against their erstwhile allies, the so-called Serbian republic. One thing that has not yet been made public is the fact that they have prepared measures that, if the scheduled referendum rejects the Vance-Owen plan, will mean the withdrawal of hospitality to the families of the Bosnian Serbs who have found shelter from the war in Serbia and Montenegro.

The first phase of these repressive measures would include the denial of social assistance, dismissal from work, and finally the deportation of these people back to Bosnia-Herzegovina. This is from a statement by the Bosnia-Herzegovina Ministry of Internal Affairs.

Bosnian Serbs Not To Attend Pan-Serbian Gathering

LD1205193393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1839 GMT 12 May 93

[Text] Belgrade, 12 May (TANJUG)—Momcilo Krajisnik, speaker of the People's Assembly of the Serb republic [in Bosnia-Herzegovina], today sent a letter to the organizers of a Pan-Serbian assembly noting with regret that the majority of consulted deputies of the Serb republic assembly did not agree with the idea of Serb republic deputies attending the Pan-Serbian assembly, SRNA reports.

Justifying the deputies' stand, Krajisnik said that the time prior to the session is very short and that the Serb republic is in the midst of preparations for the referendum. Krajisnik added that the conclusion of the main board of the Serb Democratic Party for the Serb republic to initiate a Pan-Serbian assembly after the referendum, was supported.

According to Krajisnik, the Banja Luka deputies' center, where 53 deputies and municipal presidents from Bosnian Krajina gathered, proposed that a Pan-Serbian assembly be held on St. Vitus day, 28 June. That assembly could then even discuss the Vance-Owen plan.

"I will send such a proposal to the Serbian Assembly speaker, the chairmen of both federal parliamentary chambers, and the Montenegrin Assembly speaker," Krajisnik stressed.

The speaker of the People's Assembly of the Serb republic announced that a delegation would go to the Pan-Serbian assembly to explain views of the Serb republic deputies.

Mazowiecki Accuses Croats of Ethnic Cleansing

LD1205161993 Belgrade TANJUG in English 1529 GMT 12 May 93

["Pool" item]

[Text] Vienna, May 12 (TANJUG)—United Nations special rapporteur on human rights in the former Yugoslavia Tadeusz Mazowiecki on Wednesday accused the Croats of ethnically cleansing western Herzegovina of Moslems.

Mazowiecki told a news conference in Vienna there was the danger that the Moslems would not live to see an implementation of the international peace plan for Bosnia-Herzegovina. He said that, after the Serbs, the Moslems' survival was now imperiled by the Croats.

The situation in the unilaterally proclaimed republic of Herceg-Bosna is very difficult and the Croats are consciously expelling the Moslem population, Mazowiecki said.

Herzeg-Bosna is a state formed in western Herzegovina last year by the Bosnian Croats after they had carried out the ethnic cleansing of Serbs with the military help of neighboring Croatia. Croatia has virtually annexed this part of Bosnia-Herzegovina, imposing its laws and rule there.

The Bosnia-Herzegovina Croats proclaimed Mostar the capital of Herceg-Bosna. The hand-to-hand fighting between the local Croats and Moslems has raged in Mostar since Sunday.

Bosnian Croat troops have been taking captured Moslem civilians out of the city into an unknown direction and this has obviously prompted Mazowiecki to condemn them for ethnic cleansing. Mazowiecki, however, failed to accuse the Croats of ethnically cleansing Mostar of 20,000 Serbs.

In a presidential statement, the U.N. Security Council on Monday demanded of the Bosnian Croats to cease all military actions. It also demanded of Croatia to exert pressure on the Bosnian Croats and their para-military units to cease offensives in Mostar and two other towns in the Neretva River valley.

Mazowiecki said he was sorry that his earlier prediction had come true—that all the warring sides would sooner or later begin employing the same methods.

Mazowiecki on Wednesday arrived in Vienna at the invitation of the Austrian Foreign Ministry.

The Yugoslav authorities and the Bosnian Serbs had earlier asked the U.N. Human Rights Commission to replace Mazowiecki because of his one-sidedness and racist approach to Serbs in the former Yugoslavia. Mazowiecki had claimed that the Serbs were the only ones to blame for the civil, inter-ethnic and religious war in Bosnia-Herzegovina.

Zepa Refugees Recount 'Horror' of Ordeal

AU1205194793 Paris AFP in English 1723 GMT 12 May 93

[Text] Zenica, Bosnia-Herzegovina, May 12 (AFP)—The first Moslem refugees, many of them wounded, flew out of the besieged eastern enclave of Zepa on Wednesday and recounted the horror of a year of non-stop Serb shelling, isolation and starvation.

One army administrative officer from Zepa said 640 people had died in the siege before U.N. troops entered the village this week. Several people reportedly starved to death.

French Puma helicopters ferried out 36 wounded refugees from Zepa to this central Bosnian town where they were taken to the local hospital. Those not needing treatment will be transferred to other facilities.

Two one-legged men on crutches led the procession from the helicopters to waiting ambulances here. Other wounded, including several kerchiefed elderly women, needed stretchers or support from medical workers.

The 36 men, women and children, including civilians and soldiers, were the first load of 230 refugees to be airlifted from Zepa this week.

All were emaciated, wearing tattered clothes and the glazed look of survivors from a year-long nightmare.

"It was terrible. People were starving, and there was artillery fire every day," said Delic Mirsad, a 25-year-old army lieutenant.

"Houses were burning. The whole village was burning," said Mirsad, wounded in his left arm by a grenade fragment.

The refugees said most people in Zepa took refuge in the surrounding hills and badly lacked food, medicines and other essentials.

They said they lived off food from U.S. airdrops over the enclave, which housed 25,000 to 30,000 people when it came under a renewed assault by Serbs last week.

The refugees said the Serbs aurrounded Zepa and pounded it daily from six or seven kilometres (about four miles) away with artillery, tanks, grenades and guns.

Nazif Zimic, 29, an administrative officer in the Moslem-led army, said that in one hour a week ago 540 grenades fell on the helpless enclave.

"Ninety percent of Zepa is destroyed without any sign of life," Zimic said.

He said the village authorities kept a list and 640 people had died in the siege. "Several people starved to death in January and February."

Davla Torlak, 10, said her parents and two sisters were killed by Serbian shells or bullets and her seven-year-old sister was wounded. Only she escaped unhurt.

"They were fighting in Zepa, killing innocent people," Davla said, a blank expression covering her face. She said she was happy to escape to safety but "now I go to my aunts in Sarajevo."

The escapees said Zepa's men tried to fight back against the Serbs but many were armed only with World War I rifles and molotov cocktails.

"No one helped us, no one could possibly help us," said Cesko Guso, 29, a soldier who had his right leg amputated without anaesthesia last year after being wounded.

Serb authorities gave the green light Tuesday for the airlift of refugees, but the French pilots had to spend four hours negotiating with Serb commanders at a checkpoint near Zepa before they could get through.

Lilic Galib, 53, who was shot in the left arm only Wednesday morning, said he worried about his wife and children left in the hills around Zepa without food or water. "I want to go back and fight," he said

Podzic Abid, 59, was also concerned about his two sons, a daughter and five grandchildren still in Zepa.

But Abid added, "I am happy to be out. I didn't sleep quietly for one year. Tonight I will sleep well."

Herceg-Bosna HVO President on Defense Readiness

93BA0942B Zagreb VJESNIK in Serbo-Croatian 22 Apr 93 p 17

[Interview with Dr. Jadranko Prlic, president of the Croatian Defense Council of the Croat Community of Herceg-Bosna, by Aleksa Crnjakovic; place and date not given: "'We Can Be Killed, but Never Defeated'"]

[Text] *Those who really see the future of B-H [Bosnia-Herzegovina] will realize that Herceg-Bosna is a way to build a B-H that is recognized as a state that simply must emerge because the de facto situation has not been recognized.*

Is what is happening in Bosnia already a wartime cataclysm, or will Bosnian warriors march along the bloody path for some time to come? Events thus far have shown that each passing day can be worse than the one before it.

Bosnia is seething. War is being waged on every front, everyone against everyone else. Despite the Izetbegovic-Boban agreement, attacks by extremist Muslim forces against Croats have continued in Kiseljak, Konjic, Jablanica, Busovaca, Vitez, Rama, and Travnik. Zenica has been ethnically cleansed; reportedly, there are no Croats left there. Problems are not being solved by political means. The Mostar talks between Prlic and Ganic ended in failure. Reports are coming in that members of the B-H Army are abandoning positions along the demarcation line with the Chetniks, which opens the door to Serb forces to advance toward Kiseljak, Konjic, and the left bank of the Neretva. Can the Croats, the least numerous nation, win the war in Bosnia? They have already won it in Herzegovina.

We spoke with one of the youngest, politically best-trained Croat politicians, Dr. Jadranko Prlic, the president of the HVO [Croatian Defense Council] of the Croat Community of Herceg-Bosna. The optimism that emanates from this man is a little frightening. And yet, even if that optimism is unfounded and nothing more than foolish exultation, Dr. Prlic managed to infect us with the virus. Lose the war? Vanish biologically? Dr. Prlic is certain that this simply cannot happen to the Croats, not even now that all flanks are open, toward both the Serbs and the Muslims.

[Crnjakovic] Mr. Prlic, the political and military situation changes from hour to hour. And yet, there are some overall trends that frighten us. What would be your assessment of the situation in Bosnia-Herzegovina?

[Prlic] In any variant, we are ready to defend the Croat nation and Croat territory in B-H, regardless of who our enemies are and how powerful they are. Our line of defense toward the Chetniks, the common enemy of Croats and Muslims in B-H, is stable along a front of more than 500 km. The clashes with Muslims that have occurred sporadically over the past two or three months have involved some of our forces, but we see what has been happening lately as a global attack on Croats, Croat fighters, the HVO, and the Croat nation in B-H, with all the elements of ethnic cleansing.

[Crnjakovic] Izetbegovic and Boban have called on the forces of the HVO and of the B-H Army to stop fighting. Apparently to no avail. Has there been, effectively, a military putsch in Sarajevo led by Mr. Halilovic? What do the Muslims want, given the fact that they have in fact signed the Vance-Owen plan?

[Prlic] They signed, but their overall conduct since signing has been in complete contradiction to what they signed.

[Crnjakovic] Does that mean that the Muslims have "learned something" from the Serbs? Have they realized that the strongest and only argument is weapons, not trust in the West?

[Prlic] Some of the Muslim leadership saw the recognition of B-H as an independent state as the achievement of a so-called Muslim state or unitary B-H, which is not suitable to the other two nations in any variant. There is no state in the world with more than two constituent nations that is not a composite state. Yugoslavia was a federation, and as such disintegrated. To expect B-H to function as a unitary, independent state was unrealistic, especially after the war that befell Croatia.

[Crnjakovic] Now, after the bloody, extensive fighting, is not any other political option unrealistic?

[Prlic] A composite state remains the only variant.

[Crnjakovic] But neither the Serbs nor the Muslims agree with that.

[Prlic] If two nations do not agree to some state, and they are constituent nations, then that state cannot even be discussed.

[Crnjakovic] Apparently it will not be, because the "dialogue" of weapons is in force. What then? Definitive disintegration and a definitive partition, not into provinces, but rather the annexation of particular parts to the mother republics?

[Prlic] Croats and the Croat leadership of B-H are a serious partner, and stand behind what they sign and say. If we signed the Vance-Owen plan, then we are ready to implement it. With its voice, the Croat nation contributed to the recognition of B-H, the Croat nation is for B-H, but a B-H set up according to modern principles that will respect the interests of all three nations. At the same time, the Croat nation is ready for all possible options that may emerge in the future. We are ready to protect the interests of our nation in any variant.

[Crnjakovic] But the Muslims do not believe in the sincerity of Croat intentions?

[Prlic] Cooperation with the Muslims has been our option since the beginning. The HVO defended B-H at the beginning of the war. Name one area in B-H that was defended by the Muslim army on its own! All the territories that were defended were areas where the HVO and the HVO together with the B-H Army was positioned. Thus, it is quite clear that the HVO defended B-H. And that is precisely why the distrust that has arisen is at the very least disappointing to the Croat nation, after everything that it has done for the Muslim nation. I do not want to place special emphasis here on the defense of the more than 600,000 Muslims living in our territories, the rescue of an entire wave of refugees, providing them with housing, and giving arms to the Muslims. That was our duty, to defend our common state. Our disappointment at the fighting is all the greater because of this. But despite this we are ready to continue defending that which we have defended and to regain that which we have lost during the war through excessive investment in our joint struggle.

[Crnjakovic] Were the Muslim forces irritated, and was the distrust affected by the fact that the Croats set up their own community with all the institutions of power?

[Prlic] If there were no Croat Community of Herceg-Bosna, there would be no B-H. This is the only territory in the state where life is going on in an organized fashion. Only those who are against B-H point to Herceg-Bosna as an element of B-H disintegration. Those who really see the future of B-H will realize that Heceg-Bosna is a way to build a future B-H that is recognized as a state that simply must emerge because the de facto situation has not been recognized. Provocation and irritation are emotional reactions that have no place in serious politics, especially during these historic times.

[Crnjakovic] But apparently they have prevailed.

[Prlic] No. This is a calculated policy, because we have no other interpretation for the fact that in the central Bosnia region, including Jablanica and Konjic, there are around 25,000 soldiers of the B-H Army, 90 percent of whom have never been on the front line against the Chetniks. At the same time, we have witnessed the fall of all of eastern Bosnia, the surrender of Srebrenica practically without a fight, and the surrender of weapons as well, while at the same time the weapons that they do have, which are considerable, are being used to settle scores with Croats in regions where there is not even any contact with Chetniks. Thus, it is obvious that these are not emotional reactions, because these facts that I am telling you absolutely refute that view.

[Crnjakovic] Who is responsible for this calculated policy? Mr. Izetbegovic or the military top brass, meaning Mr. Halilovic? Is there now a mutual coupling in place, either Izetbegovic with the West or Halilovic with Serbia?

[Prlic] There are many indications that a policy of equidistance is in effect, in pursuit of a situation in which the Croats and the Serbs will be equally blamed for the war in Bosnia, in order to move toward Serbia and potentially create a new Yugoslavia. Is that realistic? When I consider the scale of sacrifices made by the Muslim nation, it appears unrealistic. If that nation could do all this to the Croat nation after the Croat nation has done so much good for it, then is it not unrealistic to expect that nation to move away from its previous policy and return to some sort of Yugoslavia? For Croats, no Yugoslavia is acceptable.

[Crnjakovic] But what then is left for the Croats? After so many sacrifices it is hard to believe in any new, sincere agreement.

[Prlic] The Croats are for a peaceful solution, they have demonstrated that from the very outset. They are also ready to defend their national territory and their state. But our units are ready to fight anyone who threatens their interest, their national territory, and their lives. A combination of political measures, calming down conflicts, and also full readiness will repel the aggressor.

[Crnjakovic] Do you have the strength, in personnel and weaponry, to do that? As the least numerous nation, will we not disappear from the face of Bosnia?

[Prlic] We must defend ourselves. What we have done during the one and a half years of war in B-H proves that we can defend ourselves. We have defended ourselves against the number three or four army in Europe. Why could we not defend ourselves today, when we have more weapons? We can be killed, but never defeated.

[Crnjakovic] But it is not in our interest to be killed.

[Prlic] That is in no one's interest. And we will not be killed. Croatia has always been the mainstay in our just struggle.

[Crnjakovic] Is the annexation of Herzegovina to Croatia a possibility in some variant of an outcome to the Bosnian situation?

[Prlic] It is too early to talk about that.

[Crnjakovic] How is the political situation in B-H?

[Prlic] The Croat nation has never been more unified around the idea of the Croat Community of Herceg-Bosna and the protection of its own interests. The military-political situation changes continually, but our position is improving from hour to hour.

[Crnjakovic] How is your government functioning? Is it in conflict with the government of Bosnia-Herzegovina?

[Prlic] We are not in conflict with anyone. We have a government of democratic unity in Herceg-Bosna, given the fact that the HDZ [Croatian Democratic Community] received 96 percent of the Croat votes in the last elections. The most important thing to us is the Croat national interest consolidated by the HDZ. With the policy that has been pursued, we have integrated all strata of society both in our common defense against the aggressor and in the building of our future life. New political ideas should develop during peacetime. Right now we have no conflicts of interest, no political convulsions, and so we are all the more amazed by the emergence of conflict and by what we are seeing in the Republic of Croatia. We are for democracy, but we are not for confrontations over the fundamental issues that make up a nation and a state. These are the axioms of the existence of a state and nation. I question the good intentions of those who are reexamining these axioms.

[Crnjakovic] You apparently have no demands in Herceg-Bosna for a coalition government?

[Prlic] Each of our representatives—representative is the proper Croatian word, not minister—is ready to step down at any moment if he is deemed not to be working well. We recognize our work as the national interest.

[Crnjakovic] Do you personally believe in future coexistence with members of the other two nations in B-H? Can Mostar be what it was before the war?

[Prlic] The war is so bloody, and there are so many horrible consequences, that certain demarcations will be inevitable. In the beginning, they were clear between the Serb nation in B-H on the one hand and Croats and Muslims on the other hand. Attempts are being made to impose a similar scenario on relations between Croats and Muslims, which we absolutely do not support and which is not our policy. It is early yet to talk about that, we must wait a while and then work on it. We are ready to coexist with the Muslims. With the majority of Serbs, relations will be normalized only after peace comes, when trade and the economy begin to function.

Bosnian Serb Leaders Expect Intervention

93BA0985B Belgrade NIN in Serbo-Croatian 23 Apr 93 p 15

[Article by Jovan Janjic: "Intervention Is Expected"]

[Text] *Dr. Radovan Karadzic, president of the Serbian republic, Dr. Aleksa Buha, minister of foreign affairs, and Major General Manojlo Milovanovic, chief of the General Staff of the Serbian republic, speak for NIN about the military threats that are reaching the Bosnian Serbs from the international community.*

The pressure from international power centers against the Serbs in the former republic of Bosnia-Herzegovina has reached its peak. The threats of military intervention, made for known and unknown reasons, are becoming extremely serious. The general impression is that among the Serbs in the former Bosnia-Herzegovina the D-Day being threatened is not causing fear, as one would normally expect, but rather a sort of paranormal hope that the present agony will end, according to the proverb "some people are lucky and others are not." The Serbs in this former Yugoslav Republic are aware that there is no more retreat, and that they have to defend themselves regardless of the strength of the attackers. They say that the threats of military intervention have been taken seriously. After everything that has been attributed to the Serbs, and the demonization to which they have been subjected in world public opinion, few people doubt that the announced attacks from the air will not occur.

The Serbs in the former Bosnia and Herzegovina have been given an ultimatum to sign the so-called Vance-Owen peace plan by 26 April. It will not be signed in its present form, however, according to an announcement by the leaders of the Serbian republic, because it would then, as it is felt, be a renunciation of vital national interests.

More Bitterness

The president of the Serbian republic, Dr. Radovan Karadzic, told NIN that the national interest could only be abandoned by the people in a referendum. No leadership has that right.

"There is a vital interest involved here, the minimum that will ensure the physical survival of the Serbian people in these areas," Dr. Karadzic said.

Dr. Karadzic considers a military intervention from the air to be "very possible," because "after this much preparation and the noise made by the great powers, it is hard to believe that they will return the revolver to its holster before firing."

"We are counting on that possibility," said Dr. Karadzic, adding that the Serbs could not resist military intervention, but that it was possible to take shelter and wait for the storm to rage.

"Military intervention basically will not change the course of events in the field. It will only introduce more bitterness in the Serbian soul and international relations, which after this will never be the same," Dr. Karadzic said. "We believe that the international community, i.e., the UN, will find itself at a turning point, and that after what has been done so far, the UN no longer has the value that it had, nor will it ever have it, that the Security Council bears responsibility for everything that has happened, that after this crisis the UN Charter will probably have to be changed.... In a word, this is the international community's catastrophe, unfortunately, combined with the tragic position of the Serbian people."

In response to a question about whether the Serbs in the former Bosnia-Herzegovina, in the event of military intervention, could expect assistance from the FRY, Dr. Karadzic said:

"I cannot talk about it, although the state of people's minds indicates that Yugoslavia would help and that no calculating decisions apply in this case. It is simply that these are the deepest instincts from the soul of Serbian identity, for us to defend each other."

Existential Fever

If military intervention occurs, Karadzic says that it will be an air strike, after which there will be a reversal among the international public's view of the conflict and a certain opposition to such a bloody settling of scores with the Serbs, and so everything will end with a possible military coup.

After everything that has been done to the Serbs and the constant sending of ultimatums, the question arises of whether the Serbs should continue to participate in "peace conferences."

"We have to cooperate with the international community, with all those with whom one can cooperate," Karadzic said. "The question, however, is whether we should cooperate with those who have already committed hostile acts against us. The question is whether we should cooperate with the EC and NATO, of which we are not members. It is quite clear to us that NATO has a sort of existential fever, because the pact's raison d'etre has ceased. They may see a raison d'etre in creating a permanent crisis in the Balkans and in shifting NATO troops to Bosnia-Herzegovina, after our signature. In fact, we are convinced that if we signed such maps, enormous NATO forces would move into Bosnia and remain there forever, thus subjugating the Balkan peninsula. We are convinced that through the sanctions against Yugoslavia, powerful factors in the international community are economically exhausting all of the Balkans, and thus preparing them for a completely subordinate role, as vassals."

Dr. Aleksa Buha, the Serbian republic's foreign minister, said that the Vance-Owens plan was no longer in the sphere of desires, but rather in the sphere of existential endurance, i.e., biological survival.

"International military intervention is in sight," Dr. Buha said. "It can be said that the occupation of the former Bosnia-Herzegovina is something that is an integral part of the peace plan. Even if that plan were signed, it has been projected that international forces will be employed to implement it. In a way, the international factors will not leave Bosnia-Herzegovina alone until they occupy it, and until they establish a sort of protectorate over it."

Minister Buha added that the international factors would also have to take into account the fact that the Serbs would defend their territory, because it was impossible for a people to react any differently, since it was an issue of survival. In such situations, a people reacts by instinct.

Everyone Is Angry

Major General Manojlo Milovanovic, chief of the General Staff of the Serbian republic's army, also thinks that military intervention is quite possible. General Milovanovic said that the "Parachute" operation was a preface to it. For the Muslims, it meant the delivery of international aid, and possibly also ammunition, while for the Serbs, it was reconnaissance and the filming of positions in order to ensure the next operation—the "flight ban."

"The Serbs have to respond to that military intervention," General Milovanovic said. "We are already aware of some of the goals that the American and British armies have outlined. There are nine of them. I won't discuss them, but I can say that for the most part they can be reduced to neutralizing the Serbian republic army's technical superiority over the Muslims and Croats, and cutting the territory of the Serbian republic off from the FRY. They cannot succeed completely in those goals of theirs, but they can do a great deal of damage to us—destroy bridges and transportation routes, destroy part of our combat equipment.... But that will not essentially affect the technical superiority that we have."

General Milovanovic said that his personal opinion was that the initiators of the conflict would be the Americans, who were doing it all on behalf of the French in order to win them over to their side, and get them out from under Germany's wing and ensure that Bosnia-Herzegovina falls into France's sphere of influence.

The chief of the General Staff of the Serbian republic's army is sure of his army's strength, and emphasized that in the event of a possible military intervention, he only expected humanitarian assistance from the FRY Army.

"Just this overflight by NATO aircraft has considerably raised the morale of our soldiers and the entire people. Everyone is angry. Since this operation started, we have considerably more stable front lines and units. Our combat ranks are not dissolving—on the contrary. By doing this, the Western big shots have only done themselves a disservice. They expected that through these threats and pressures they would destroy the Serbian soldiers' morale, but they only achieved the opposite effect. This is our most realistic chance for writing a new illustrious page in Serbian history."

That is how the generals and politicians are talking.

Tuzla Serbs Appeal to Church, World Forums

93BA0985A Belgrade BORBA in Serbo-Croatian 24-25 Apr 93 p 6

[Article by N. T.: "Serbs From Tuzla Are Waiting for the Serbian Orthodox Church"]

[Text] Zvornik-Tuzla Bishop Vasilije has appealed to the Holy Archpriests' Synod of the Serbian Orthodox Church to contact international forums and competent individuals who can help defend the Serbian people, or at least to issue a communique that will not be "meager, but rather loud, clear, frank, and substantive."

Explaining the need for this kind of action, Bishop Vasilije stated in his letter to the Synod:

"A few people have left the Tuzla hell, about 170 souls. They have told me, among other things, with a certain amount of bitterness, that they are surprised that our church is not raising its voice in protest to the international public, not much more than meager communiques. They state that the situation in Tuzla, Banovici, Zivinice, and Stupari is more than desperate for the Serbs, especially now, when the arrival of Muslims in Tuzla from Srebrenica and other places has intensified."

UNPROFOR Warned on Failure To Act on Peace Plan

LD1205194393 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 12 May 93

[Text] Vladimir Seks, deputy president of the government of the Republic of Croatia and chairman of the State Commission for the UN Protection Force [UNPROFOR], sent a letter today to UNPROFOR Mission Commander General Lars-Eric Wahlegren. In it he lists the Croatian Government's standpoints regarding the implementation of the Vance peace plan. Not only has UNPROFOR failed to implement this plan; with a few exceptions, it is even a passive observer of the final stage of ethnic cleansing and the implementation of the criminal Serb policy of murder, torture, maltreatment, and expulsion of Croats and other non-Serb populations in the UN-protected area and the so-called pink zones instead of enabling refugees to return home and facilitating the restoration of normal civil life.

Similarly, UNPROFOR is a passive witness to the pillage and destruction of property belonging to Croats and other non-Serb populations, and the theft of oil, timber, and other resources of the Republic of Croatia.

The Republic of Croatia will no longer tolerate the endless foot-dragging in the implementation of the Vance plan, Vladimir Seks' letter states. If UNPROFOR is unwilling or unable to carry out its mission, Croatia will, by itself, protect its own vital interests and the lives and security of its citizens by using all means at its disposal.

Hence, respected Mr. General—Vladimir Seks writes to General Wahlgren—please get UNPROFOR moving along the line of its tasks. Do demand the necessary funds, powers, and support for this purpose, since the Republic of Croatia will not tolerate UNPROFOR serving to protect the fruits of Serb conquests, crimes, and ethnic cleansing and the continuation of criminal assaults on towns and villages in the Republic of Croatia.

Tudjman Letter to Butrus-Ghali on UNPA Zones

LD1205211993 Zagreb HTV Television in Serbo-Croatian 1730 GMT 12 May 93

[Text] President Tudjman today sent a letter to UN Secretary General Butrus Butrus-Ghali. We present the letter in its entirety.

Your Excellency: Nearly 15 months have elapsed since the beginning of the UNPROFOR [UN Protection Force] peace operation in the area of the Republic of Croatia. Unfortunately, many of the goals specified by the Vance plan, included in your report and endorsed by the UN Security Council's relevant resolutions, have not been achieved. This is why I have to address you again and request further action in extending and reformulating the UNPROFOR's mandate.

I would like to take this opportunity to express our gratitude for the great efforts the United Nations, its member-countries, the UN Secretariat, and the UN Security Council are investing as well as for the courage demonstrated by the UNPROFOR and UN agencies in carrying out their duties. We deeply mourn for the military and civilian members of the UNPROFOR who have lost their lives in the course of carrying out their noble duty.

In the letter I sent to you on 19 March 1993 I pointed out Croatia's general attitude to the UNPROFOR and called on the UN organization to take any required step to improve the UNPROFOR's efficiency and achieve the main tasks stipulated by the Vance plan. In this context I would like once again to reiterate the stand of the Republic of Croatia and stress the following facts and new situations that we believe are of vital importance in the course of securing a peaceful solution to the problems brought about by the aggression against the Republic of Croatia as well as by the crisis in the entire area of the former Yugoslavia.

In the entire area of UNPA [UN Protected Area] zones, all paramilitary, irregular, or volunteer units or personnel should be either withdrawn from the UNPA zone or, if their permanent place of residence is within them, they should be disbanded and demobilized as soon as possible, as it is underlined in the Vance plan. The current situation in the UNPA zones is not in line with these provisions. The Serbian police are heavily armed. They are constantly attacking civilian targets in Croatia, including ancient coastal cities such as Zadar, Sibenik, and Dubrovnik.

In the UNPA zones belligerent Serbian nationalists use their military might not only to attack civilian and military targets in Croatia but also to terrorize the moderate Serbs who do not want to follow their radical policies. The process of demilitarization will also have a very positive effect on the peace process in the neighboring Republic of Bosnia-Herzegovina.

Second, Croatia should be enabled to restore its state authority across the entire area of the so-called pink zone. I must underline the fact that these areas are not part of the UNPA zone as they are regarded as a temporary solution voluntarily adopted by Croatia. In your report of 26 June 1992 you state that steps should be taken to secure, under international supervision, the step-by-step restoration of Croatian state authority in the area that is currently controlled by Serbian forces. Almost a year after the adoption of Resolution 767, which established the pink zones, the Republic of Croatia is still waiting for the UNPROFOR's active contribution to the materialization of the aforementioned aim. This is why I stress the need for taking the steps required for the restoration of Croatian state authority in the pink zones.

It is crucial that the return of refugees to their homes begins as soon as possible. This is not only a political issue of utmost importance but also an economic issue. The endless stream of refugees has placed a heavy burden on the Croatian economy. The Republic of Croatia has already sent many documents to the UN General Assembly and Security Council in connection with this issue. I would, however, like to reiterate that at the moment over half a million refugees, including 250,000 Muslims from the neighboring Republic of Bosnia-Herzegovina, are under Croatia's care. To finally start an effective process with these aims in mind, let me point out the following required steps:

A. To fully implement UN Security Council Resolution 802 through decisive measures to speed up the negotiations conducted under the auspices of the international conference on the former Yugoslavia. This should be the first step in the process of demilitarizing all the zones under UN protection, the UNPA.

B. To establish full UNPROFOR control over the international border between the Republic of Croatia and the FRY—Serbia and Montenegro—which currently lies on UNPA sector east territory, as outlined in UN Security Council Resolution 769, and thus reinforce the implementation of UN Security Council Resolutions 757, 787, and in particular 820.

C. To open main railway and road links in UNPA zones as well as pipelines and long-distance power lines to create trust and also because of their logistic importance, prior to the implementation of the Vance-Owen plan in the Republic of Bosnia-Herzegovina.

D. To deploy international observers on the border between the Republic of Croatia and the Republic of Bosnia-Herzegovina which is in UNPA zones—as specified in your report—to prevent military activities against these two republics and facilitate the implementation of the Vance plan in Croatia and the Vance-Owen Plan in Bosnia-Herzegovina.

The Vance plan for Croatia and the Vance-Owen plan for Bosnia-Herzegovina are the main pillars on which the peace process rests. The success of the peace operation in the Republic of Croatia is directly linked with prospects for lasting peace in the Republic of Bosnia-Herzegovina and vice versa. Although I fully understand the interconnection of the peace process in these two Republics, the peace process in Croatia should not be delayed due to the development of the situation in Bosnia-Herzegovina. On the contrary, it should serve as an example for the successful implementation of peace in Bosnia-Herzegovina. Recent tragic clashes between Croat and Muslim forces in the Republic of Bosnia-Herzegovina show that any delay in lending support to the peace plans or, if the need arises, the forceful implementation of these plans, could further complicate the prospects for peace.

The Republic of Croatia particularly welcomes UN Security Council Resolution 815, which states that UNPA zones are component parts of the territory of the Republic of Croatia. This is an important starting point for building a comprehensive peace process in this area and it is the fact which all sides in conflict on former Yugoslav territory must recognize.

I would like to reiterate that the Republic of Croatia considers the peace process to be the most favorable means of achieving a comprehensive solution to the crisis. The participation of all sides in this process and their recognition of the sovereignty and territorial integrity of all UN member-states in this area are equally crucial. We would like the minorities in the countries of this region to serve as a bridge for peaceful cooperation and not as casus belli. With this in mind, we would like to inform you that the Croatian Government has prepared a package of various measures for creating trust, aimed especially at the normalization of the situation in UNPA zones and the gradual reintegration of these zones into the Republic of Croatia. I would like to draw your attention to the recently founded State Council for the Normalization of Croat-Serbian Relations and its activities. On the other hand, those who continue with their armed attacks against towns, civilians, or Croatian Army and police forces must be aware of their responsibility and should finally face trial before an international tribunal for war criminals.

Bearing in mind UNSC Resolution 815 on the temporary extension of the UN mandate for an additional period, which expires on 30 June 1993, we would like our proposals to be positively reconsidered with a view to a new UNPROFOR mandate. I sincerely hope that the Republic of Croatia will not be put in a position to reexamine its decision on the extension of the UNPROFOR mandate and I would like to assure you that at this moment we remain loyal to the peace process under the aegis of the international conference on former Yugoslavia.

I beg you to accept, Your Excellency, the expression of my deepest respect.

[Signed] Franjo Tudjman, President of the Republic of Croatia

Churkin on Referendum, Croat-Muslim Fighting

AU1205200993 Paris AFP in English 1958 GMT 12 May 93

[Text] Zagreb, May 12 (AFP)—Russian Deputy Foreign Minister Vitaly Churkin on Wednesday dismissed next weekend's Bosnian Serb referendum on the Vance-Owen peace plan, saying a "no" vote would not mean the end of the plan.

Speaking after a day of meetings with Croatian political leaders, Churkin also said he had expressed to President Franjo Tudjman Moscow's "very grave concern" over the latest Croatian-Moslem fighting in central Bosnia.

"A referendum in the present circumstances cannot really be considered the final word on a question as crucial as a peace plan," he said, referring to the referendum called by Bosnian Serbian parliamentarians after refusing to accept the U.N.-backed peace plan themselves.

"A referendum is not generally a way of ending a war ... we prefer a political solution and we think there is a chance to save the Vance-Owen plan, we think the plan is not dead."

"I think there are other ways of allowing the Bosnian Serb leadership to accept the plan," said Churkin, who arrived in the region last week after the Bosnian Serbian parliament's rejection of the plan.

On the subject of the latest fighting between Bosnian Moslems and Croats in Bosnia-Hercegovina, Churkin said it was "a question which the U.N. Security Council will continue to follow closely."

His comments on this issue came as the two sides in the fighting signed a new ceasefire Wednesday, after a similiar truce signed Monday largely failed to hold.

In separate comments on the self-declared Serbian republic of Krajina in southwestern Croatia, Churkin said the territorial integrity of Croatia had to be respected, as had the legitimate rights of Serbs living in Croatia.

Churkin was due to travel to Krajina Thursday, before heading to Sarajevo to meet Bosnian President Alija Izetbegovic.

Minister on Planned Tudjman-Izetbegovic Meeting

LD1205173293 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 12 May 93

[Report by Branko Merlin]

[Text] At a news conference at the Croatian Foreign Ministry, convened following a meeting of leading officials of the ministry [words indistinct], [Croatian Foreign Minister] Zdenko Skrabalo informed the press on the details of the report from last night's session of the Defense and National Security Council, especially on the initiative launched by President Dr. Franjo Tudjman to meet in Mostar, in the presence of the two cochairmen of the peace conference, with [Bosnian] President Alija Izetbegovic.

The initiative on the visit of a Croatian-Turkish delegation to Bosnia-Herzegovina, within the framework of a good-will mission, was elaborated on by Croatian Ambassador to Turkey Hidajet Biscevic, while Deputy Minister Dr. Ivo Sanader spoke about the principled and long-term guidelines of the policy of the Republic of Croatia regarding Bosnia-Herzegovina. In a situation where the Muslim-Croat conflicts are being used abroad for a media campaign, which, focusing attention on the clashes, provides the international community with an alibi for its ineffectiveness toward the aggressor in Bosnia-Herzegovina, the Republic of Croatia is endeavoring to contribute to the calming of the conflicts and the cessation of the war in the neighboring state, it was said at the news conference.

Croatia's stands were explained today to foreign diplomatic representatives in our country, while our diplomats abroad will today inform the ministries of the countries they are accredited to about the report from the session of the Defense and National Security Council.

Valentic Seeks Iran's Mediation in Conflict

LD1205121193 Tehran IRNA in English 1027 GMT 12 May 93

[Text] Zagreb, May 12, IRNA—Croatian Prime Minister Nikica Valentic here Tuesday called on Iran to mediate between Bosnian Muslims and Croats to put down arms.

The request was made in a meeting between Iranian Ambassador Mohammad Javad Asayesh and the Croat premier. According to an embassy source here, Valentic also suggested the formation of a joint committee between Iran and Croatia to help settle the disputes between the Muslims and Croats, which was welcomed by the Iranian diplomat.

Asayesh said that Iran and all other Islamic countries are concerned over the conflicts in Bosnia-Herzegovina and expressed deep regret and surprise over the evacuation of civilian Muslims from Mostar by the Croatian Defence Council (HVO) units as confirmed by the U.N. forces stationed in the area.

Iran believes that Croatia can convince the HVO units to stop their heinous act, the ambassador said. Asayesh invited the Croatian premier to visit Iran which was accepted.

Commentary Views Situation Within HDZ

AU1305094193 Rijeka NOVI LIST in Serbo-Croatian 10 May 93 p 2

[Commentary by Alen Boskovic: "The Luster of Rise and Fall"]

[Text] The recent presence in the media of a kind of split, not so much in the ruling as in the majority party [Croatian Democratic Community—HDZ], has been at the center of many discussions and publicly stated fears for the stability of the country. The reasons for this split within the party itself—considering that this is the party of the president of the Republic, and the strongest parliamentary party, that installed its "cadres," or at least its followers, into all channels of Croatian politics and economy—represent a very important political issue for the citizens of Croatia. If we start from the fact—which may be a very dubious one—that a large number of voters entrusted their votes to that party specifically because of its program, or at least its publicly stated political orientation, we come to the major issue—to whom did the citizens actually give the mandate? Will the victory of a certain political option within the ruling party really mean a kind of revision of the exact political "program" on which the Croatian Democratic Community had based its original victory, or will it just reveal the true colors of that party?

The ruling party, although we could sooner talk about the movement turning into a political party, is now falling victim to its own moves, and the impossibility of dealing with major Croatian problems additionally burdens its position. Belief in the monolithic unity of the organization is now seriously shaken, and the present scenario, which can be followed in public, resembles, irresistibly, the events in the former ruling party, within which there was, in the 1980's, smoldering with varying intensity, a clash between the democratically minded politicians and those who were inclined toward a firm-handed policy.

In Croatia today, there are a certain number of those who would like to deal with social problems and with any persons of different views by arrests and, if necessary, with a few short machine-gun bursts. On the other side, there is a great majority of politicians, or people close to politics, who are openly democrats or who do not tend toward the described way of political fighting. Today the "firm-handers" (not only from the ruling party) act more independently and take too much media attention, making noises about the invisible enemy and always engaging in some retributions, while their thinking is based on not entirely democratic political theories. A theory on the constant inclination of the Croatian people toward a totalitarian system and the idea of one leader and one nation, which has always appealed to some, reappears, and some, when discussing the new Croatian reconciliation, even resort to the twisting of some World War II participants' historical truth.

"The Answer Is in a Law-Governed State"

On the other hand, not even the, conditionally called, democratic tendency is beyond reproach. Many of those politicians are deeply involved in all kinds of financial and "transformation" scams.

Now it is clear that, in the conflict within the ruling party, no one is an "innocent virgin," whether because of their "dubious" dealings during transformations or because of weird political ideas. Therefore, the question arises of who will solve the situation and how, while some even invite the president of the Republic to settle things using his own authority and impartiality, as though Croatia will be destroyed if its politicians and petty politicians engage in public quarrels and vilification.

However, the solution to the situation in the ruling party and thus, indirectly, the answer to our main political dilemmas, can be provided by only one institution, known under the name of law-governed state. Why is a law-governed state the only answer? Because the state, with its efficient legal system, should resolve most vagueness in the social life of Croatia.

The machinery of the state is, nowadays, very slow and inefficient, which is a direct result and the responsibility of those political forces which decided to establish it on their own. So, the desire, to subject the entire state apparatus to their political views and demands, as well as to enforce its party politics by legal and non-legal means, recoiled on the ruling party in the most difficult way. How will a public attorney from the ruling party, for example, investigate criminal activities, suspected to have been committed by the people from the ruling party, through the police, which is also swarming with their own people? With difficulty.

All political conflicts in Croatia result from the inefficiency of the legal system. It is simply not up to the swift rate of social change and even less to the "skillfulness" of many who have benefited from the super-fast, and even more super-secret, privatization.

"Even the Stony Media Silence Does Not Help"

I do not want to discuss or criticize the program and the activity of the ruling party, I am merely deducing that it is suffering from the consequences of its own actions. Its attempt to solve, on its own and mostly at somebody else's expense, the problem that troubles Croatia, backfired loudly, and the even chances of failure and success turned into a bitter impotence in solving the problems and a firm request to the people to wait and be patient. Even the stony media silence does not help now, because we know very well—one knows most about what is secret—who did what and when. Therefore, the one-sided and biased television reporting and the condensed press do not do anything about the deep and secret suspicion of the majority of citizens toward what they are being fed as true and undeniable fact, persistently and in great quantity.

These people are waiting for the truth with a proverbial patience, and the dirty laundry of the ruling party (other parties are, for the moment, not taken into consideration) is evidence supporting the suspicion that those who are dealing with the affairs of state and the building of the country, think that they are supported by God personally and forget that they still have a large and, for the time being, quiet audience with rotten tomatoes at hand.

As things stand right now, there are no chances of settling the situation in the ruling party. It is but a reflection of what happens in reality and, as long as there are causes of crime, there will also be criminals, there will be those who will demand that they be court-marshaled and those who will want the state authorities to do their jobs. This situation is not satisfactory for Croatia, because what Croatia yearns for and what constitutes the prerequisite for dialog with the democratic world, is an efficient system of government control, for it is a widely known fact that it can be established in multi-party parliamentary systems.

The power of a state, which is supposed to stop growing disorder, originates, first of all, from a parliamentary system where no party (that basically represents the expression of political will of a societal group) can have so much power as to become immune to the control of other parties, on one hand, and, by the division of the government between the legislative, executive, and judicial powers, on the other.

As these two prerequisites are not established in Croatia, we should not be surprised at the events concerning the ruling party. We should, therefore, not invite an individual or a supernatural power to solve our problems, because we were told by the West, a long time ago, how to build a state that could be called democratic. It was, thus, once more proven that only a dazzling fall shines more brightly than a dazzling rise.

HNS 'Not Enthusiastic' About Policy on Bosnia

93BA0934C Zagreb VJESNIK in Serbo-Croatian
9 Apr 93 p 6

[HINA report: "Agreement 'Full of Ambiguities'"]

[Text] The HNS [Croatian People's Party] demands a more detailed explanation of the Geneva agreement on the application of Resolution 802.

Zagreb—"The Croatian People's Party [HNS] is not enthusiastic about the Agreement on the Application of Resolution 802, because our party contends that many issues remain unclear and understated. The party demands a more detailed explanation of the Agreement, but also the imposition of sanctions if its provisions are not respected," HNS Chairman Dr. Savka Dabcevic-Kucar said Thursday at a news conference.

Regarding the adoption of Resolution 815 and the signing of the Agreement on Resolution 802, the HNS, according to its chairman, considers it necessary to disarm all Chetnik and paramilitary units in the entire territory of the Republic of Croatia, while heavy weaponry should be placed under UNPROFOR [UN Protection Force] control, or "even better, moved outside Croatia." Moreover, she continued, it is necessary to specify deadlines for the return of exiles, to withdraw from Croatian territory all volunteers and members of paramilitary units from Serbia, Kosovo, and Vojvodina in no more than five days, and to establish control over the borders of the Republic of Croatia according to international standards. The HNS, Dr. Kucar added, supports the establishment of road, air, railroad, and other forms of transportation throughout the entire Croatian territory and demands the faster determination of war crimes, as well as the clear specification of all demands for compensation for war damage inflicted on Croatia.

Insisting that the discussion relate not only to the Agreement, but also to its annexes, "which have not been made public," Dr. Kucar expressed dissatisfaction with the poor level of information, despite the fact, she added, that she is a member of the Foreign Affairs Committee of the Assembly's House of Representatives, which in her words indicates the unsatisfactory role of the Assembly in Croatian political life. "In the complex domestic and international situation in which Croatia finds itself, issues of this importance cannot be left up to only one person," the HNS chairman said.

Responding to a question about Croatian policy in B-H [Bosnia-Herzegovina], Dr. Kucar emphasized that despite the statements on recognition of B-H, the acceptance of refugees, and the series of relief actions, international public opinion could get the impression from the statements of many individuals that Croatia continues to count on some sort of partition of Bosnia, and that in her opinion this is detrimental to the interests of both Croatia and Croats in B-H.

Slovenia Becomes Full Member of Council of Europe

AU1205144093 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 12 May 93

[Excerpt] As we have already reported, the Parliamentary Assembly of the Council of Europe this afternoon unanimously made Slovenia a full member of the Council of Europe. [passage omitted]

Violation of UN Arms Embargo Suspected

LD1205172893 Belgrade TANJUG in English 1536 GMT 12 May 93

[Text] Ljubljana, May 12 (TANJUG)—There is founded suspicion that Slovenia has violated the U.N. embargo on arms deliveries to the territory of the former Yugoslavia, member of the Slovene Parliament Ivo Hvalica has said.

Hvalica testified before a parliamentary commission which is investigating the "hit" affair on Tuesday evening and said there were indications "not only of lobbying and bribing of politicians, but also of violations of the embargo on arms deliveries" in the material of the Slovene Security-Information Service.

According to the evidence gathered by the parliamentary commission, not only influential Slovene politicians and parties are implicated in the affair, but also a number of Slovenia's security services.

Hvalica was not the first to charge circles in Slovenia's Interior and Defense Ministries with illegally selling arms.

Dr. Miha Brejc, who until recently headed the Slovene Security-Information Service, recently said that Slovenia had sold arms to the Muslim and Croatian Forces in the former Yugoslav Republic of Bosnia-Herzegovina with the tacit approval of leading politicians.

Leader of the Slovene National Party Zmago Jelincic recently accused Slovenia's Defense Minister Janez Jansa of having been involved in illicit arms trade even before Slovenia seceded from the former Yugoslavia.

Leader of the Republican Union of Slovenia Adolf Storman said after being arrested in March this year on charges of illicit arms trade that he and his partners were only insignificant middlemen and that the chief organizer of the illicit arms trade and buyer was Minister Jansa.

The daily NOVI VJESNIK of Zagreb, capital of the former Yugoslav Republic of Croatia, early this year reported that arms sales had practically been legalized in Slovenia. The daily published a facsimile of an offer made by the Ljubljana-based Eltra firm and the instructions given to potential buyers that a permit for transit across Croatia's borders was still required if the arms were being shipped to Bosnia-Herzegovina.

Those well acquainted with the lucrative arms trade claim that over a billion dollars worth of arms were delivered by Slovenia to Croatia and Bosnia-Herzegovina last year alone.

Ministry Protests Building of Croatian Border Posts

AU1205163693 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 12 May 93

[Text] The Slovene Ministry of Foreign Affairs has sent a protest note to the Croatian Foreign Ministry through the Croatian Embassy in Ljubljana. The note protests the commencement of building of the Croatian border control facilities on Slovene territory in Secovlje, in the Piran commune.

In line with the agreement signed by the foreign ministers of both countries, Lojze Peterle and Dr. Zdenko Skrabalo, at the beginning of February, our ministry in its note proposes the immediate suspension of the building works on territory that is, to judge from the actions of the Croatian side, obviously among the contested territories on the border between the states.

The Slovene Foreign Ministry adds in the note that the expert commissions have not yet discussed the exact location of the state border in this area and that the continuation of the building works could have very negative consequences for international traffic in the future.

Foreign Minister Peterle Views Achievements

AU1205163893 Ljubljana SLOVENEC in Slovene 8 May 93 p 23

[Interview with Foreign Minister Lojze Peterle by Janez Markes; place and date not given: "On the Scandals We Will Not Go Beyond Truthfulness"]

[Excerpts] Slovenia is shaken by scandals. At the same the new Slovene Government is marking its 100th day in office. After the "honeymoon period," the Slovene public is supposed to have the right to be more critical, and there are definitely plenty of reasons for it to be. Bearing in mind that the work of the government and of certain parties was scrutinized earlier because of the scandals, we decided to ask Deputy Prime Minister Lojze Peterle, who is also president of the Slovene Christian Democrats [SKD], a coalition partner that so far has not been mentioned as one of the parties involved in the scandals, for his views.

[Markes] How would you assess the work of the government and the coalition after 100 days?

[Peterle] I can say after the first 100 days that the coalition has became more or less attuned, although things have not yet been sorted out in all the ministries. The budget, which was adopted, was the key test. The adoption of the law on salaries is also significant as is the fact that those who wanted to undermine it did not succeed in doing so in the second round [of voting].

Our first objective was to achieve stable conditions for government. We have accomplished this, but, of course, not everything among the partners works in such a way that we can be absolutely satisfied.

[Markes] What precisely are you dissatisfied with?

[Peterle] I am mainly thinking of the time when the Liberal Democratic Party [LDS] was rushing to make cadre changes that simply had not been coordinated. Now, we have agreed on a different manner and procedure that involves coordination. We were very critical of the slow way the farmers' problems were resolved. They finally started to be dealt with at our insistence, after the matter had been stagnating for many months, that is to say, for nearly a year.

[Markes] You have mentioned misunderstandings in resolving cadre issues. Do you have the Public Accounting Service in mind, perhaps? It was supposedly agreed that the directorship of the Public Accounting Service would go to the Christian Democrats.

[Peterle] There was no agreement, but we have counted on that position.

[Markes] You also spoke of the firmness of the coalition in circumstances ridden with scandals and suchlike, which might cast a strange light on Slovene politics. A question arises whether it is still possible to talk about the firmness of the coalition and the firmness and credibility of the government?

[Peterle] I would not question the credibility of the government, at least not until some proof is found in the ample material that has appeared in such strange fashion. This is the legal way. Our party, of course, has clearly stated that it demands the truth and those who have anything proven against them should be called to account. We shall not go beyond the limits and criteria of truthfulness. Prime Minister Drnovsek advocates the same view. It is evident, however, that there are intentions to shake this government.

[Markes] Could you risk a possible scenario of the affair? What is it actually all about?

[Peterle] I believe it represents a knot of political and economic interests, on top of the interests of the Security Service, where I believe, there are no unified interests but rather various factions connected with various political circles or figures. It was, of course, not our democracy that invented our gambling houses, but we have inherited them. I have heard many things about this, but never supported by evidence. Certain matters only surfaced recently in a very unusual manner. The chief of the Security- Information Service [VIS] did not find it necessary to hand over the documentation, either to his successor or the prime minister, or the chairman of the parliament. He handed the documentation over casually to "Democrat" Dr. Bucar. The matter therefore very much revolves within the Democratic circle, and not without reason. For the sake of the public, the government, and Slovenia's reputation, I would be most happy if this thick mist is cleared as quickly as possible. On the basis of the documentation (which I have not seen) we should get the results as quickly as possible, because the present situation is damaging for the whole of Slovenia. I am afraid, however, that this will be yet another scandal without a real ending.

[Markes] Is it true that when you were prime minister Roman Jeglic [deputy chief of the Security Information Service] sent you a letter similar to the letter to [Prime Minister] Dr. Drnovsek? What did it say?

[Peterle] Mr. Jeglic did not send me any letter.

[Markes] The feud between the Democrats and the Liberal Democrats nevertheless shows who are the protagonists in Slovene politics. It seems that your party plays a rather passive role here. Finally, it was precisely Dr. Drnovsek who tripped over your cabinet and some information suggests that the current affairs are not completely unconnected to the downfall of your cabinet?

[Peterle] I do not wish to take part in this game that could be called: there are no documents, there are documents. In my opinion the whole truth begins with the former Slovene Democratic Alliance, which did not succeed in its big ambition and win the majority of votes at the first elections, as anticipated. Ever since then there have been animosities, resentments, and then the attempts to undermine my cabinet, which is also illustrated in Rupel's *Spomini [Memoirs]*. He writes in his book that they had intended to do this much earlier, but then decided to go about it slightly differently. Several interests overlapped in that case. A dishonorable situation emerged when the Democrat ministers after their futile attempts persisted in the cabinet that they were undermining. Rather then strive toward the realization of joint goals in Slovenia, the Democrats succeeded in involving others in their ambition to exclude the Christian Democrats from politics. The latter wish did not come true for the Democrats. They suffered an electoral defeat and ended up in the opposition. Their electoral propaganda and the behavior of their members, also of Dr. Bucar, demonstrate that they are very much irritated by the alliance that was formed in Slovenia. That is why they are attacking the coalition between the LDS and the SKD and we can even expect that they will try to drive as many wedges as possible into this coalition that has hardly started to function. In this sense their policy is again destructive. Regarding Drnovsek, he was only the third challenger. [passage omitted]

[Markes] The so-called third, unnamed, party had appeared in the Vis and Hit affairs in the media. Is this your party?

[Peterle] Bearing in mind the development of the affair and the fact that we have not been exposed for the time being, it would be highly unusual if they would not try to blacken us, too. I expect that we will also receive "our share of flak."

[Markes] Did you ever had any connection with the Hit enterprise, that is to say, with the people who were involved in this affair?

[Peterle] I saw Hit from close up for the first time during our rally in Nova Gorica. Hit was among our sponsors then and paid for lunch for a group of people who attended the rally. My next encounter with Hit was when the residents of Bohinj complained to me as the prime minister about Hit taking over Bohinj hotels in a peculiar fashion. I called Mr. Kovacic [director of Hit] and said that I found this unusual and questionable and that I expected that they would discontinue it. He assured me that the matter was all right and legally clear. When I requested an explanation from the Interior Ministry, the latter did not find any actions that would merit some special treatment. This is the chronology of my contacts with Hit.

[Markes] What kind of legal outcome implications for the state of the VIS and Hit affairs do you anticipate? What should happen, if certain people prove to be guilty? Could there be a government crisis, a crisis of democracy?

[Peterle] There is a desire to trigger a government crisis, which could happen if there is proof in the documents. Of course, the government cannot be blamed for this, one can only blame individual people if they were engaged in dubious affairs. I fear, this will be a long-lasting affair and that the parties will find it difficult to reach a consensus about procedures. Just as we lacked the rules of procedure that would regulate matters during the time of constructive no-confidence motions, the State Chamber now does not have any written rules for the investigative commissions. I expect many debates concerning the authorities and formalities. I hope the matter will be resolved quickly, but I fear it will not. [passage omitted]

[Markes] Your foreign policy has recently been assessed as good, and the peace plan was well received abroad. In the domestic political sphere, however, there have been some objections that you do not concentrate enough on democratic compensation of various injustices, in short, that you are not performing up to the expectations of your electoral base.

[Peterle] Next week, after the 100 days of ruling, the SKD will explain its views about this time in history. In the spheres where matters are not progressing the way we would like we shall, of course, be critical. We will propose our own draft laws on certain matters. We are critical, for example, that [legislation] Minister Kozinc does not "push through" the law on compensation of injustices. If this does not happen within a few days, our party will put forward its own draft law. It is true that we have concentrated on the departments that we cover, but we also judge that our party's ministers have performed well. We will insist on the program that we promised the voters. We have already had some success with the issue of citizenship. In short, we will also try to realize the program points that are not contained in the joint coalition program. Compensation for injustices is our priority.

[Markes] What successes can you boast so far? In what respect is it better to be in the government than in the opposition?

[Peterle] To start with, what many people grant us is symbolically important. First, that the interior minister is somebody who was never a member of the Communist Party, which was unthinkable until recently. For the first time the foreign minister is a man who was not in the Communist Party, and besides, we can boast successes in all ministries. In the traffic department also, where foreign investors admit that only under the new minister have they started to take Slovenia seriously. [Transport and Communications] Minister Umek initiated a law that would facilitate acquisition of development documentation so that we can finally accelerate the development of roads. I work in the ministry where, as former prime minister, vice president of the European Christian Democrats, and member of the European Democratic Union, I could make use of my contacts. These three months were extremely successful. We formalized relations with the EC, we are entering the Council of Europe, we attended the conference in Copenhagen as the only former Yugoslav republic, which was very difficult, we launched a well-received initiative on the resolution of the conflict in Bosnia-Herzegovina at international level, we are considered a constructive partner in international affairs. In short, Slovenia has made considerable progress toward individualization in the last three months, by being recognized and acknowledged as an independent subject which is not shoved within the Yugoslav framework. We have improved our relations with our neighbors. Relations with the Croats are improving despite media firecrackers. The situation with Italy is not all that bad either as we are just about to form the historic commission despite the political troubles in that country. We also play an active role in the Central European Initiative, and we have opened new possibilities in the sense of Slovenia's economic promotion. I am glad that Slovene diplomacy has accomplished a lot in these three months.

[Markes] Before I thank you for the interview I would like to ask you another thing: Dr. Brejc recently said the foreign minister is being bugged. Is this your impression?

[Peterle] Not only do I have this impression, I am convinced of it.

[Markes] Do you think that they are listening to this interview?

[Peterle] I am convinced of that, too. I would be glad if only one party had listened to us, but I am afraid that we are being bugged from several sides.

Drnovsek Opposes Parliamentary Investigation

93BA0956C Ljubljana SLOVENEC in Slovene 21 Apr 93 p 2

[Interview with Prime Minister Janez Drnovsek by various journalists, summarized by Igor Krsinar: "A Parliamentary Investigation Is Unnecessary"]

[Text] At yesterday's press conference, Prime Minister Dr. Janez Drnovsek answered reporters' questions in connection with the problem of out-of-control privatization and the recent HIT [firm] scandal.

[SLOVENEC] How would you answer the criticisms that on several occasions the government has shown a condescending attitude toward the State Assembly (it did not prepare the report on Elan requested by the State Assembly, it did not participate appropriately in the parliamentary discussion of the budget, and also the commission for oversight over the work of the security services did not receive an answer to its question about why the VIS [Security-Information Service] was not providing it with its regular reports)?

[Drnovsek] These are primarily criticisms from the opposition, which is very critical of these things. We are trying to ensure a constructive attitude toward the parliament within the framework of the constitution. Sometimes there is perhaps a short circuit, but not deliberately. With respect to the budget discussion, I agree that the ministers should have been much more active in the discussion, and I have already pointed that out to them. The VIS report is being prepared.

[SLOVENEC] What is the role of the public defenders of self-management in the various cases of out-of-control privatization, which we say are legal, but socially harmful?

[Drnovsek] The public defenders of self-management will have to make an effort to prosecute such occurrences. Our minister of justice has the task of reinforcing their activity through laws and ensuring the effective progress of the revision process. We will not stop the privatization process, because that would mean a big delay in transforming our economic system and in economic growth. We are in a quandary, because we have to correct certain old irregularities and monitor the new privatization processes so that such difficulties do not continue to occur. It is precisely here that I see the role of the government and the State Assembly, in trying to find the right measure and encouraging the work of the competent services. I wish to emphasize that we have to prevent irregularities and sanction them, but we must not permit a general witch hunt, especially against managers. That would lead to the other extreme and to much worse economic trends. We will therefore try to ensure the correctness and effectiveness of institutions in preventing and sanctioning crime, and at the same time, prevent those occurrences from causing the collapse of enterprises.

[SLOVENEC] You mentioned that in the past, the institutions of the law-governed state did not act effectively enough. The government is nevertheless persisting in the opinion that those institutions are sufficient and that they should at most be reinforced with personnel, etc. Is it thus indirectly opposing the establishment of a parliamentary investigative commission?

[Drnovsek] My personal opinion is that everything has to be resolved within the framework of the judicial system. The parliament has to discuss these matters, but a parliamentary commission with the powers of judicial bodies would not be appropriate. A real democratic state has to ensure the activity of a democratic judicial system and its independence. The most important thing is the independence of judges, and that is why we have to give them additional insurance. The deputies are not politically neutral and professionally trained. In the Italian case, we can see that a lot of deputies were also involved in the scandals. If such an investigative commission were headed by a person who would start a witch hunt in accordance with his own political interests, the commission would be like McCarthy's in the 1950's in the United States. That is why we want to strengthen the operation of the judicial system and give clear guidance to all judges and prosecutors as to what has priority, what they have to do, and what they have to investigate.

[SLOVENEC] Mr. Prime Minister, can you guarantee that you and Minister Sirse are not involved in the HIT scandal?

[Drnovsek] Absolutely. Your question, by the way, is inappropriate, and I protest the journalistic practice that has spread recently. Because of general hints, the public gets a distorted impression of everyone's involvement in something. It is necessary to ensure greater responsibility for everyone, including journalists, and to present clear arguments. Such hints are completely unjustified. As far as the Liberal Democratic Party is concerned, you have already heard the statement that it is by no means involved in the scandal. All parties should put their accounts on the table, so that it can be seen who has done what. I am prepared to have us all accept the consequences for proven irregularities.

[SLOVENEC] Have you already called any minister to account, and what are relations in the government coalition like?

[Drnovsek] In numerous cases, the punishment of ministers is not appropriate, and there have already been several such cases. After all, the government has been working for 80 days, but reporters and the opposition are supposed to open a "general hunt" after 100 days. That hunt has already started, but after 100 days we in the government will also prepare a report on our rule, and also make slight corrections or replacements, if necessary.

[SLOVENEC] According to the existing legislation, parties can also finance enterprises, and then deputies can protect them in the State Assembly. It is particularly questionable if they are enterprises where there has been out-of-control privatization. Will the government propose any law to prevent obtaining funds from enterprises?

[Drnovsek] Even before the HIT scandal I requested that the judicial bodies prepare such a law and that the parliament pass a law as soon as possible on the financing of parties.

SLS Leader on Out-of-Control Privatization

93BA0943A Ljubljana DNEVNIK in Slovene 17 Apr 93 p 10

[Interview with SLS President Marjan Podobnik by Joze Poglajen; place and date not given: "Political Will Is Decisive"]

[Text] [Poglajen] A few weeks ago, you wondered, together with the members of the State Assembly's commission for oversight over privatization, how to deal with instances of so-called out-of-control privatization, without stopping the privatization process at the same time. Is your answer the fact that you provided the public with information about Nova Gorica's HIT [firm]?

[Podobnik] I thought that without appropriate public pressure there was not even a minimal possibility of settling these things more quickly and correctly. The discussion of the information that I made public with the help of the media showed the correctness of that assessment. Now events have taken the right course, and I think that the possibilities for quicker, more effective, and more correct completion of the procedures for identifying embezzlements of public property have increased.

[Poglajen] Does it seem right to you that people who have acted legally, even though only to their own benefit, are now being publicly condemned?

[Podobnik] From the standpoint of a law-governed state, the most controversial thing is that in Slovenia we do not have legislation that could prevent actions contrary to the fundamental principles and standards of a law-governed state. With every specific matter, we find ourselves in a legal vacuum, or faced with incomplete and unclear legislation, and that should have been prevented. The other possibility is to conceal all of it and carry out privatization in such a way that public property will be privatized by only 5 percent of the people, and possibly in 10 or 20 years, just as the Italians are now doing, irregularities will be determined retroactively. I think that the first course is fairer, although I agree with those who say that it is not possible to do it now because of personnel difficulties and all the other difficulties of the appropriate services, but it is necessary to start building a law-governed state somewhere. There will be no possibility for it at all if the belief prevails that the one who points out the guilty party should be punished.

[Poglajen] It is not exactly characteristic of a law-governed state that things done in accordance with valid laws are settled retroactively through legal regulations.

[Podobnik] The basic dilemma is actually how to settle things retroactively in such a way that they will not be contrary to the Constitution, but it is also a question of how they will be regulated from now on. When I gave a public warning about the privatization at HIT, my main purpose was not to put one person or another behind bars, but rather to protect public property.

[Poglajen] Most lawyers think that the courts simply cannot convict people for actions taken in accordance with valid laws. Then what is even the point of starting proceedings?

[Podobnik] In this regard, one must first of all demonstrate political will. Specifically, wherever legislation is defective, political will has to be decisive. It is a question of the interpretation of some elements of the Constitution that are unclear, for instance the issue of acquired rights. Then there is the issue of how the prosecutors' offices and the courts will interpret cases in which a whole range of different explanations is possible. Political will will be expressed through the highest authorities' position on the standards that should determine when and to what extent public property has been embezzled. It was precisely for that reason that we proposed the establishment of a special parliamentary investigative commission that would investigate major cases of embezzlement of public property. Finally, there are the cases that we have not yet had in Slovenia, in which some politicians are possibly also involved.

[Poglajen] In your opinion, why was it that the authorities in Slovenia, immediately after independence, did not eliminate Markovic's notorious law or adopt their own, which would have prevented out-of-control privatization?

[Podobnik] In my opinion, it was because that was a law that laid a golden egg. Several "prominent" Slovene experts specialized in advising enterprises how to carry out privatization in accordance with that law, and thus public property more or less legally passed into private hands. In this regard, the issue of the responsibility of the previous and the present state authorities will certainly be raised soon. All these things that are becoming public, in fact, are not new, and it is simply not possible to believe that people in those authorities did not know at least about the major cases.

[Poglajen] Among those who raised a great deal of fuss a while ago through the public media in connection with privatization, there was also then Justice Minister Dr. Rajko Pirnat. Does the fact that he did not take any steps as minister mean that he did not have support in DEMOS?

[Podobnik] There was support in DEMOS for the decisive regulation of these issues.

[Poglajen] Then it was a question of the inability of the government coalition at that time to prevent out-of-control privatization?

[Podobnik] I think that in this case it has to do with whether you really want something or whether you only pretend that you do. If you really want something, then you do not think about the consequences that could affect you personally. You think more about how it will influence, for instance, the success of management. If you only pretend that you would like to do something, then with the first dilemma you stop, of course. That dilemma is possible if you are somehow involved yourself, or someone close to you, etc. I think that this is one of the reasons why most of the attempts to date stopped quickly and very sullenly.

[Poglajen] SDK [Public Auditing Service] audits have been announced at most mixed enterprises. Do you think that it will really discover what it is expected to—the theft of public property?

[Podobnik] The fact that the audits were announced in advance gives these enterprises an opportunity to "clear up" all possible incriminating documents. On the other hand, measures are in preparation that the SDK needs for a more effective audit of privatization procedures. The weakest part is the one associated with "business" abroad. It seems more important to me, however, whether the public legal defender will take measures on the basis of the audit results. Consequently, the least that they need is immediate passage of a law by which the government would authorize individual teams of judges or individual courts to deal only with these matters. Otherwise, things will be come to a stop, because the courts are overloaded. In this regard, of course, it is also necessary to reinforce the personnel of the very weak network of legal defenders. Any delay could be fatal for Slovenia. It is even more important that in the case of these privatizations many things will come to light that otherwise would not—for instance, in the case of HIT, the questionable transfer of suspicious money from Italy. The fact is that in spite of independence, we have remained connected to the so-called UDBA [State Security Administration] financial circles. As long as that is the case, we cannot say that Slovenia is really independent.

[Poglajen] Is it even possible to carry out privatization without the emergence of a relatively thin stratum of newly created rich people?

[Podobnik] There is no absolutely fair privatization anywhere, and there never will be, because it simply is not possible. The property legislation was adopted, and it is known how much of the public property belongs to workers and retirees and how much belongs to the funds. It also provides for an opportunity for those who have more well-off to buy a certain portion of the property. Because of these instances of out-of-control privatization, however, the value of public property is constantly declining, and the Croatian or Latin American version may happen to us, with a stratum of several hundred people becoming the actual owners of Slovene property. That is one of the real possibilities, which is perhaps even interesting in the short term from the standpoint of economic development, but it is basically very unfair. In fact, through privatization we want to establish a strong middle class, not a small one that has everything, and on the other hand a class of those who do not have anything. If we do not succeed in that, we will be without the horse that would pull the state forward.

[Poglajen] Many people are hinting that some political parties are also involved in privatization. Can you say anything more about that?

[Podobnik] I think that it will be shown in determining how those privatizations took place. The biggest obstacle will be that the parties will cover each other. That was already demonstrated in the case of Elan, and it will also be like that in other cases. Look, how can a party with relatively few members, with weak financial resources, afford an election campaign that costs 5 or 6 million German marks, since the state provides a relatively modest amount of money for parties' activity? There are only four possibilities. Either the money is provided by its members, which of course is hard to believe in this case, or by private entrepreneurs, which is even less likely. The third possibility is money from abroad, and the fourth is the one that you mentioned.

[Poglajen] HIT is justifying the privatization in terms of more motivation for employees to work, and finally, it is true that that large enterprise arose from very modest beginnings.

[Podobnik] Full recognition should be given to HIT's entrepreneurial ability. I do not doubt that in that respect it is among the most capable, but it was doing business with public property. Is it really possible to motivate workers by going from 3 to 75 percent private property, without their actually investing private capital? If parliament's employees were promised that in the event of successful work they would become owners of the Assembly building in one month and they could sell it, they would certainly be motivated!

[Poglajen] Obviously you do not share the opinion that such a public discussion of an enterprise, even before the events at it receive a court epilogue, can be fatal to it?

[Podobnik] The problem is not that things are being discussed publicly; with Elan, for example, all of it became public too late. It is not known where millions of dollars disappeared there; it all became public only afterwards. Now some people are trying to prove that the enterprise failed for that reason, and not because of embezzlements. If the public had previously known about them, that pillar of the Slovene economy would still be owned by us. Now it is not ours, and furthermore, a great deal of money will leave the state budget for its past sins. The same thing is true of the casinos. I do not have anything against them, but control over them is necessary, since otherwise it may happen that, for instance, Nova Gorica will become the main Slovene mafia city in a few years.

[Box, p 10]

The issue of how to deal with the instances of so-called out-of-control privatization that were made possible by Markovic's famous law on enterprises has divided public opinion: some support bringing the participants in those privatizations to court, and others warn that it would not be correct to punish those who, although for their own benefit, were exploiting the possibilities given to them by the law in effect at that time. Marjan Podobnik, president of the Slovene People's Party and a deputy in the State Assembly, decided that by publishing documentation otherwise considered a business secret, he would initiate public pressure to deal with this issue more decisively. That is also what our interview was about.

Electric, Food Industries Best in Production

93BA0935B Ljubljana DELO in Slovene 10 Apr 93 p 5

[Article by Ilja Popit: "The Electric and Food Industries at the Top"]

[Text] The loss of customers, i.e., the market, the decline in production, and even the closing of shops and enterprises in recent years has greatly changed the shares contributed by individual industrial activities in Slovenia to total production. With the increased business risk, the former record-holders are being replaced by relatively more proficient industries, and ones in which there is less risk because they have relatively enough customers at home. Consequently, this year and already last year the electrical industry and the food industry have been right at the top, in addition to the traditional electric industry.

The Slovene Statistics Institute has published data on the shares contributed this year by individual industrial activities to total industrial production. According to that calculation, which applies to this year (if there are no more changes), the electric industry contributes 12.04 percent to the total production. In second place is the electric power industry, with a share of 11.93 percent; the food industry contributes 7.83 percent; the processing of chemical products, 7.74 percent; the production of final textile products, 6.72 percent; metal processing 6.14 percent; the furniture industry, 4.51 percent; vehicle production, 3.72 percent; the machinery industry, 3.46 percent; coal mines, 3.37 percent; spinning mills and textile mills, 3.17 percent; ferrous metallurgy, 3.04 percent; the paper industry, 2.80 percent; the production of basic chemical products, 2.51 percent; beverage production, 2.42 percent; printing houses, 2.38 percent; the production of construction material, 2.28 percent; the processing of nonmetallic ores, 1.99 percent; the tobacco industry, 1.97 percent; the rubber industry, 1.93 percent; the footwear industry, 1.64 percent; sawmills and lumber factories, 1.62 percent; the production of nonferrous metals, 1.10 percent; the leather industry, 0.83 percent; the processing of nonferrous metals, 0.57 percent; the production of various products, 0.55 percent; stone and sand quarries, 0.45 percent; the renewal (recycling) of raw materials, 0.38 percent; the production of oil derivatives, 0.32 percent; the extraction of oil and natural gas, 0.05 percent; shipbuilding, 0.03 percent; and the extraction of nonferrous metal ores, 0.01 percent.

The Institute calculates these shares from data on the social product by net industries for each year, since the results are used as weights (weighting factors) in calculating changes in industrial production each month. In doing so, the Institute uses the uniform (Yugoslav) classification of industries [EKD], since the work has been established; otherwise, foreign countries will also try to standardize only after 1995. Thus, each month, with a special form (called IND-1/M), the Institute collects data on the amount of products produced in a single month from those enterprises—regardless of ownership—which are large enough and classified as industrial ones. The Institute categories the data thus collected among industries. In order to be able to add up the products, which are naturally in different units of measurement, it first values each product, i.e., weighs it with a weighting factor.

The weighting factor is set by the Institute by multiplying the value obtained for a given product—it gets the data on it from the annual report on industry (form IND 21) by the share of the social product in the value of the production (in the gross social product) of the subgroup in which the product is classified. The institute compares the monthly values of a given industry's products thus weighted with the corresponding average values for the past year. In this way it determines by what percentage or part of a percentage the volume of an individual industry's production has changed. Before further calculating from such changes in industries the change in overall (republic) production, it also uses an index of these industries to specify their weight or importance with weighting factors. These weighting factors are corrected every year, in light of the change in individual industries' share in the social product of all industry, on the basis of data from the annual industrial report for the year before the preceding year (this time, 1991), and also on the basis of the indices achieved for the (physical) volume of industrial production during the preceding year (this time, 1992).

Previously, within the framework of Yugoslavia, these shares were calculated and determined by the Federal Statistics Institute, and it did not exactly like to seem them published. The Slovene Institute, usually at the request of DELO at the institute's press conferences, has nevertheless published one of those annual versions for Slovene industry at least one and a half decades. It would be difficult to confirm whether it was always the version that was supposed to be the final one, however. Specifically, in individual years the changing of these weights was still going on in April. Those announcements, however, are probably suitable enough for an approximate comparison. Thus, with a comparison between this year's weights with those a decade ago, in 1983, we can portray quite clearly the shifts in the composition of

Slovene industry, even though in today's ownership times it is already better to say industry in Slovenia, since part of the industry has already passed into foreign, non-Slovene hands.

The following table shows the 10 industrial activities that were the largest in 1983 in terms of their share in overall Slovene industry, and their rank and the size of their shares in percentages for this year.

Rank in 1983	Rank in 1993	Industry	1983 Share in Total Production	1993 Share in Total Production
1	1	Electric	12.20	12.04
2	6	Metal processing	10.94	6.14
3	7	Furniture	6.93	4.51
4	9	Machinery	6.70	3.46
5	8	Vehicles	6.44	3.72
6	4	Chemical products	6.20	7.74
7	2	Electric power	5.91	11.93
8	5	Textile products	5.84	6.72
9	11	Spinning mills	5.21	3.17
10	3	Food	4.26	7.83

In view of economists' opinions that it is not important what we produce but rather what we can sell at a profit, we must therefore just take note of these changes. Probably those who lost their work and earnings in that way in recent years are not very satisfied with them, but neither are the others, who then lost help in paying taxes.

Federal

Government Preparing Refugee Repatriation Program

LD1205220093 Belgrade TANJUG in English 2131 GMT 12 May 93

[Text] Belgrade, May 12 (TANJUG)—The Federal Republic of Yugoslavia is preparing a programme for repatriation of refugees from the former Yugoslav republic of Bosnia-Herzegovina. The programme, to cover some 500,000 refugees in Serbia and Montenegro, was discussed in Belgrade on Wednesday between representatives of the Governments of Serbia and the Bosnian Serb republic, Bosnian Serb Minister Without Portfolio Velibor Ostojic told TANJUG.

The representatives agree that basic conditions should be created for the return of displaced people, which would first be carried out in completely safe regions.

Ostojic said that such conditions in towns would include accommodation and job, and accommodation and cultivable land in villages. All refugees should also be given health and social care, education and other conditions necessary for normal life, the minister added. He said that both Serbia and the Bosnian Serb republic would keep records of refugees to facilitate the process of repatriation.

The participants in the meeting also agreed to suggest to their two governments to begin to work on the issue in the shortest time, regardless of the cricumstances and political climate.

"It is our moral and legal obligation to rehabilitate refugees as soon as possible and to restore normal life conditions for them," said Ostojic.

'Unofficial' Bonn Source Rules Out Military Option

LD1205202393 Belgrade TANJUG in English 1955 GMT 12 May 93

[By Milenko Babic]

[Text] Bonn, May 12 (TANJUG)—The possibility of a military intervention in the former Yugoslavia or at least of the lifting of the embargo on arms deliveries to Muslims in Bosnia-Herzegovina has for days been one of the central topics in Germany, just as in the West in general, but both possibilities were ruled out by Bonn through unofficial channels on Wednesday.

According to the unofficial interpretation in Bonn, it even turns out that Western governments have never given serious thought to military intervention and that the media are responsible for the different impression.

The reason for the unofficial interpretation has been a storm stirred in the German and in general the Western press in connection with "transatlantic disagreements" in connection with a military intervention in the former Yugoslavia. Bonn government sources now term incorrect the respective reports.

The press reports can reportedly be understood only as "reflecting the disappointment of a public which has daily been under the pressure of reports on the horrors of war." That has reportedly put the goverments in Europe and America under pressure, and the official statements in the European capitals and especially Washington should be understood as a "reaction to pressure coming from the public."

According to the unofficial interpretation, there are no disagreements between the Western governments, since none of them, not even Washington, urge that plans be immediately made for the bombing of Serbian positions in Bosnia-Herzegovina.

That there were no disagreements was reportedly clear during the recent European tour of U.S. State Secretary Warren Christopher, although it is conceded in the unofficial interpretation that Christopher's statements "might have sounded more militant." However, not only Christopher's statement sounded more militant.

For instance, German Chancellor Helmut Kohl stressed in a talk with Canadian Prime Minister Brian Mulroney on Monday the "moral obligation" to consider lifting the embargo on arms deliveries to Bosnian Muslims. Many others, including NATO-Secretary-General Manfred Woerner, have been responsible for the "pressure coming from the public."

It is unimportant at this point, however, whether the unofficial interpretation has been launched because the Western governments truly disagreement [as received] with the media or because they have changed their stand.

The only important thing is whether it is true what the unofficial interpretation said about a "broad agreement" of the Western governments with the statement of Co-Chairman of the Conference on the Former Yugoslavia David Owen on Tuesday, according to which it is wrong to think that a civil war can be stopped by means of air strikes.

None of this, however, makes any easier the position of Serbs in Bosnia-Herzegovina and even less so the position of the Yugoslav Republics of Serbia and Montenegro, whose economic base is rapidly falling into ruin thanks to the U.N. sanctions.

Serbia

Radicals Threaten Neighbors With Missile Strikes

LD1205193593 Belgrade TANJUG in English 1819 GMT 12 May 93

[Text] Rome, May 12 (TANJUG)—Leader of the Serbian Radical Party (SRS) Vojislav Seselj told Italian TV on Wednesday that missiles would be launched at Italy, Croatia, Austria and all other countries serving as logistic bases in the event of air-strikes against Bosnian Serbs.

"We have FF-22 missiles which can reach your country, but we will not target military compounds, because their defense is prepared. In case we are attacked, we will fire at your civilian targets", Seselj told Italian journalists.

Recalling that the Bosnian Serbs have not yet employed even one-third of their forces in the Bosnia-Herzegovina war, Seselj said that the U.N. peace-keepers deployed in Bosnia would be immediately attacked should a foreign military intervention be launched on Bosnia.

Seselj qualified as "criminal" the Yugoslav and Serbian Governments' stricter control of traffic on the Yugoslav border with Bosnia-Herzegovina. "Most of the people in Serbia support their brothers in Bosnia and we will do our utmost to block Milosevic's decision", Seselj said. Slobodan Milosevic is Serbia's president.

The Serbian Radical Party is the strongest opposition party in the Yugoslav and Serbian parliaments. Seselj comes from Bosnia-Herzegovina.

Extremists Warn of 'Terrorist Attacks' on UN Forces

AU1305120993 Paris AFP in English 1111 GMT 13 May 93

[Text] Belgrade, May 13 (AFP)—Ultra-nationalist Serbs have warned that they will launch terrorist attacks on United Nations forces in Serbia if there is a Western military intervention in Bosnia.

Sinisa Vucinic, leader of the Serbian Royalist Movement (SRP) known as the "Serb Falcons," told a news conference here that his militia would "become a terrorist organisation" and would attack U.N. troops based in Belgrade if NATO or any other Western power invaded the self-styled Serb republic of Bosnia-Herzegovina.

"For every Serb killed in such a military intervention 100 U.N. troops will die. We consider them to be an occupation force," Vucinic said.

He said about 350 "Serb Falcons" were already undergoing training near Subotica, in northern Serbia near the Hungarian border. "We are ready to go into action at any time," he added.

The leader of the ultra-nationalist Serb Radical Party Vojislav Seselj warned Wednesday that "civilian targets" would be attacked in Italy and elsewhere if there was an international military intervention in Bosnia, in an interview with Italian GRI radio. He said he had several thousand militia under his command.

Meanwhile, in Moscow the commander of CIS unified military forces, Marshal Yevgeny Shaposhnikov, said Thursday he opposed outside military intervention in the former Yugoslavia, Interfax news agency reported.

"Not all political means for resolving this conflict have yet been used," the news agency quoted Shaposhnikov as saying at the start of a meeting of the Commonwealth of Independent States ministerial council.

Shaposhnikov said he was "categorically opposed" to foreign military intervention in the conflict.

Russian Foreign Minister Andrei Kozyrev, quoted by Interfax, said Thursday that the more the Belgrade leadership pursued the path of peace "the more Russia will support the lifting of sanctions and Yugoslavia's return to international organisations, and that means at the U.N. Security Council, too."

Kozyrev said that for the first time the leaders in Belgrade were giving Russia the opportunity to participate normally in international actions, instead of seeking to involve Russia in the Yugoslav crisis "under the guise of fraternal relations."

He described the decision by the Serbian leadership in Belgrade to support the Vance-Owen peace plan and cut off supplies to the Bosnian Serbs as "a courageous step."

As the United States and the European Community continued to seek agreement on ways to bring pressure to bear on the Bosnian Serbs, Canadian Prime Minister Brian Mulroney warned in Paris Thursday that any military intervention in the former Yugoslavia should "avoid running the risk of reprisals against French and Canadian troops."

Mulroney was addressing the French Senate, after arriving in Paris Wednesday for a two-day visit.

Paramilitary Wing 'Ready for Action'

LD1205132393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1109 GMT 12 May 93

[Text] Belgrade, 12 May (TANJUG)—If NATO or any other Western power carries out an invasion of the Serb republic, Serb Hawks [Srpski sokolovi—paramilitary wing of the Serb Royalist Movement] will become a terrorist organization, the chairman of the Serb Royalist Movement [Srpski Rojalisticki Pokret—SRP], Sinisa Vucinic, said at a news conference today.

"About 350 young volunteers are being trained near Subotica. We are ready for action at any moment," Vucinic said.

"For every Serb life lost in a possible military intervention by any foreign power, a hundred of their 'blue helmets' will die. We view these soldiers as an occupying force."

Vucinic said that "not even the Ministry of Internal Affairs [of Serbia] forces will stop us, and they would be considered traitors if they try to protect UNPROFOR [UN Protection Force] members."

"Serbia is plagued by pacifism and internationalism, which is increasingly affecting young Serbs," Andrej Protic, chairman of the SRP youth organization, said.

"We will fight this plague with all available means in order to preserve Serb dignity," Protic said.

Kosovo

EC Seeks Larger Presence in Kosovo, Macedonia

BR1105151893 Brussels LE SOIR in French 11 May 93 p 6

[Article by Andre Riche: "EC Plays Milosevic Card—Notorious Warmonger Milosevic Becomes Last Chance for Peace—EC Twelve Count on Him, Delaying Use of Force"]

[Text] "You cannot have your cake and eat it: Counting on a policy of sanctions and giving peace a chance, while at the same time embarking on a strategy of force." That is how French Foreign Affairs Minister Alain Juppe yesterday evening justified the approach unanimously approved by the Twelve.

Meeting with his eleven EC colleagues in Brussels yesterday, he mustered European support for a primarily French-British approach. Solidly backed by British Foreign Secretary Douglas Hurd, France persisted with the policy of sanctions despite the widespread calls for military action by the U.S. press. Belgian Foreign Affairs Minister Willy Claes, who spoke with Warren Christopher again this weekend, explained that the European strategy entailed acting in "unison with the United States," and underlined that Christopher had merely come to Brussels to consult the Twelve, and not to force them into anything.

Milosevic Rehabilitated?

Consequently, the Twelve have decided to encourage—and even support—Serbian President Slobodan Milosevic in his policy of imposing an embargo on the Bosnian Serbs. "The greatest change in recent weeks," said Douglas Hurd, "has been Milosevic's apparent change in attitude. We must give this opportunity a chance." The Twelve consider Serbia's turnaround to be a direct consequence of its policy of sanctions, the severest measures ever applied by the international community. So, the Twelve hope to make the Bosnian Serbs follow suit by applying the same pressure, intensified for the moment by the support provided by Serbia itself.

According to Willy Claes, approximately 100 nonmilitary EC "monitors" will be deployed on the Serbian-Bosnian border to help Serbia impose this embargo and, above all, verify its application. Another 100 men might be sent to the Croatian-Bosnian border. Meanwhile, the two major powers, the United States and Russia, are also being invited to participate.

"We are aware of the risk of a double bluff by the Serbs," conceded Alain Juppe, "which is why we are demanding action, rather than mere words, and results on the ground, in particular a cease-fire and the confirmation of the signature of the Vance-Owen peace plan by all the parties concerned."

So, it would be wrong to imagine that Milosevic's name has been exonerated. Even if he succeeds in imposing peace, he will still be constrained by respecting the Vance-Owen peace plan and returning any territory gained by force. The apparent "support" provided by Milosevic "does not pave the way for any renegotiation of the Vance-Owen plan," confirmed Claes, while Juppe nonetheless described the plan as "evolving."

U.S. Involvement

It is mainly for the purpose of defending the six security zones defined in Security Council Resolution 824 that the Community will invite the Americans and the Russians to commit themselves. Here, the forces required would number in the thousands, or even tens of thousands of troops. Some European states, like Spain, are ready to send extra contingents.

"The humanitarian effort must take on a new dimension," appealed Juppe—with some success—to his colleagues, "involving the 'sanctuarization' of these six zones. It is a question of switching from ideas to practical implementation with the help of the international community," he said. Even if some sanctuaries, like Zepa, have already been depopulated? "Let us not descend to systematically apportioning blame," retorts Juppe. "If we had not been there, thousands more people would have been killed."

Seeking to strike a balance, German Foreign Affairs Minister Klaus Kinkel went to Zagreb carrying a stiffly worded message to Croatian President Tudjman calling for an end to the massacres of Muslims, like that taking place in Mostar.

Finally, the Twelve expressed a wish to increase the international presence in Macedonia and Kosovo.

Should all this fail, no military option has been ruled out. NATO troops are already on alert.

Serbs Move 'Heavy' Forces Into Republic

AU1205165193 Pristina KOSOVA DAILY REPORT No 90 in English 7 May 93

[Unattributed report: "Fresh Military Forces Continue To Be Deployed in Kosova"—issued by the Democratic League of Kosova]

[Text] Serbian military has been concentrating troops in many places around the Kosova capital Prishtina in the recent days. Reports indicate that heavy military forces have been deployed in the villages of Bernice e Eperme, Bernice e Poshtme, Gazimestan, Slatine, Siqeve, Llukar, Besi, as well as in the nearby Germia hill. There are also reports that the already heavy build-up in the military barracks of Prishtina has been enforced with new forces from Serbia over the last days.

Yesterday, at around 1030 [0830 GMT], some 25 civilian trucks with the license plates of Krusevac, a town in southern Serbia, and a bus with Serbian reservists on board, escorted by military vehicles, were seen at the Milosheve-Obiliq intersection. The trucks were carrying military equipment for digging military trenches. Some 15 trucks were heading towards Prishtina, and the other 10 proceeded toward Mitrovica.

Around noon yesterday, a dozen military trucks were seen near the Milosheve village. They were reportedly going to Mitrovica.

The Serbian military has intensified its activity and movements throughout Kosova in the recent days. It is assumed that almost every fourth truck driving on the Prishtina-Mitrovica road is carrying things for military purposes.

A military helicopter has been seen flying low, several times yesterday, surveilling the terrain from Podujeva to Prishtina.

Likewise, today early in the morning, a convoy of 25 military trucks came from Serbia to Kosova via Kursumlia (Serbia) and Podujeva (Kosova).

Activist Supports Balkan Union

93BA0980A Belgrade NIN in Serbo-Croatian 23 Apr 93 pp 24-26

[Interview with Adem Demaci by Svetislav Spasojevic; place and date not given: "A Step Away From the Abyss"]

[Text] *"A solution to Kosovo should be sought in the form of a federation, a confederation, in the form of any sort of association.... I won't say 'Yugoslavia,'" claims a man with a great reputation among Albanians, who spent 28 years in prison. "Let it be an association of Balkan peoples."*

NIN's interlocutor is a man who wrote about himself long ago: "I am like a candle. I am slowly melting, but I am lighting the way for others."

In sentencing him persistently, almost stubbornly, to many years in prison, the Yugoslav postwar authorities made Adem Demaci, of course, the most famous Yugoslav Albanian. When he finally left prison in 1990, he had spent more years in damp cells than in freedom!

By persecuting him, the Yugoslav authorities were actually acting to their own detriment. Today Mr. Demaci is a prominent citizen whom the Albanians watch on the streets of Pristina with equal amounts of amazement and respect. I am not even certain that the Serbs lack those feelings, although they keep silent about it. We spoke for several hours and did not agree on many things, but we found a certain satisfaction in that. He says that he has been a rebel his entire life, with reason, and today he has proven that to others.

Adhering to its belief that it is always necessary to hear all sides, especially if they are opposed, NIN noted the opinion of this Albanian, who is significant today.

[Spasojevic] Mr. Demaci, are you frightened once again by where we are heading together, Albanians and Serbs, with all the prospects being that we will also arrive there?

[Demaci] I am not afraid for myself, after everything that I have seen and experienced. I often tell myself, "Why didn't I die in prison so that I would not experience this?" You are a reporter from a prominent Belgrade weekly, and you should realize what kind of spiritual and psychological difficulties we Albanians have been subjected to. The time has come, however, for what Serbia and its regime have imposed upon us, to be imposed upon Serbia. The time has come for Serbia to experience, from the entire world, what we have experienced from Serbia. You know, everything comes back and everything is paid for. That is why the Serbs should give up their mistaken policy, so that we would survive and jointly extricate ourselves from this misery and despair.

[Spasojevic] I have the impression that you are satisfied that the Serbs are in a difficult situation!

[Demaci] You are mistaken; I am not satisfied. On the contrary, I am very concerned. The Serbs' straits affect us Albanians twice as hard, because the blockade into which the world has thrown the Serbs affects us twice as much. With respect to Albanians, everything is squared. You know that we are occupied and that everything that affects Belgrade is immediately reflected here. In Serbia, however, there are certain reserves, but here everything has dried up. Sorrow, grief, and misery. Hunger reigns here. That is why I cannot be satisfied.

[Spasojevic] To the best of my recollection, way back in 1963, you founded the "Revolutionary Movement for the Unification of All Albanians." You wrote the program for that movement.

[Demaci] I wrote the statute and the program, and I was the initiator and organizer of that movement.

[Spasojevic] Thirty years have passed since you started your struggle for Albanians' separation from Yugoslavia and annexation to Albania.

[Demaci] The Serbs left their natural abode back in 1912, and made their first big mistake. They allegedly went to liberate the territory that was under Turkish occupation. They subjugated old Serbia, as they called Kosovo and southern Serbia—Macedonia, even though the Serbs were a minority in those areas. You see, they strove just as they are doing today to unite all Serbs, even at the expense of other peoples. Do you know that at the end of the 19th century, the Albanians were expelled forever from the vicinity of Nis, Dubocica, Leskovac, Prokuplje, Kursumlija, and other neighboring towns?

According to our data, from the over 600 villages in which they were then the majority population, the Albanians were simply driven out.

In those years, and for a considerable time afterward, the Serbs knew how to ally themselves with forces in the world that were a significant factor. That ability of theirs, which fortunately for us they have lost today, made it possible for them to expand Serbia and to occupy others' territories. They thus...

[Spasojevic] Can I ask you a related question? When you talk about the Albanians' residence during the previous century on the territory of Serbia, will you say where there are monuments or traces of that presence? In Kosovo and Metohija, the Serbs have the Patriarchate, Visoka Decana, Gracanica, Gazimestan... and you?

[Demaci] Unfortunately, the Albanians were not skilled in building many monuments, because they were enslaved the whole time. I am certain, however, that if monuments had existed, they would have been destroyed in the same way that the Albanians were purged from that territory. That is why the question of monuments that you are insisting on is a secondary matter. That is why your approach is very questionable, because if one proceeded from history, that it would be necessary to displace entire peoples throughout the world.

[Spasojevic] In 1964 you were sentenced to 15 years in prison for founding the Movement for the Unification of Albanians.

[Demaci] At that time I was only continuing what many people before me had done. I respected and considered Albanians' aspiration for unification. I was young and inexperienced, so I created a movement that had spies within it from the very beginning. We thought that we were working underground, but actually, the UDBA [State Security Administration] was monitoring us the whole time.

[Spasojevic] Were the spies Serbs or Albanians?

[Demaci] Well, Albanians. A large number were arrested, and about 15 of us were sentenced for a month to 15 years in prison. In any case, at that time our goal was not separation, but rather solving our own problem. We believed, and I still think so today, that resolving the Albanian question will also help to solve the Serbian one. If people are already demanding that the Serbian question be resolved objectively, then why shouldn't ours be resolved as well?

[Spasojevic] In 1990, you stated: "The Slovenes want to leave Yugoslavia, the Croats want to leave Yugoslavia, the Macedonians want to leave.... We Albanians do not want to leave Yugoslavia." Do you still think so today?

[Demaci] I am possibly the only Albanian who dares to say that publicly. Of course, there are a lot of Albanians who think the same way, but I dare to say it publicly. I think that the kind of Albanians that there are today, with the organization that they have, with the strength that they have, must try in every possible way to be equal and free. Thus, they should not flee, but rather build a community with the other neighboring peoples, primarily the Serbs, Montenegrins, and Macedonians. I want to say precisely that that solution should be sought in the form of a federation, a confederation, in the form of any sort of association.

[Spasojevic] Within Yugoslavia?

[Demaci] I won't say Yugoslavia. Let it be some association of the Balkan peoples. I believe that you recall the idea of a Balkan federation. The Albanians' interest is to be equal and independent, but to achieve that without having it be at the expense of other neighboring peoples. In order to achieve that, the Albanians must first reach an agreement with the Serbs. I do not see that it can be resolved any differently. A war in Kosovo is not a solution either for us, or for you.

[Spasojevic] Mr. Demaci, you are talking about Kosmet [Kosovo and Metohija] as if it were not an integral part of Serbia!

[Demaci] Spasojevic, to you it is Serbia, but to me it is not. Serbia is controlling this territory by force. The Albanians do not recognize that by any means.

[Spasojevic] Serbia exists....

[Demaci] Legally and formally, it exists in this area. Serbia does not exist in Kosovo substantively, spiritually, or in any other way you like. You can feel that when you walk through Kosovo villages and towns. Serbia is imposing its will by force. We do not recognize that force, but we accept it, simply because we have to. It is how a man accepts the fact that he is in prison, if he accepts it at all and reconciles himself to it.

[Spasojevic] Please, let us be precise about your idea of a Balkan federation. In your opinion, who should constitute that entity?

[Demaci] The former Yugoslav republics, plus the Albanians.

[Spasojevic] Which Albanians? Those in Albania, or in Yugoslavia?

[Demaci] The Albanians of the former Yugoslavia. For the time being, I will not touch on the Albanians in Albania. In time, Albania can be included, Bulgaria....

[Spasojevic] Let me be even more precise: Are you in favor of having the area of the former Yugoslavia that is inhabited by Albanians be a separate unit in that federation of yours?

[Demaci] It does not have to be one of the units. They can be separate units, just as they are now. Those Albanians who live in Macedonia, for example, would have to be completely equal with the Macedonians, however.

[Spasojevic] Does that mean that they should have their own government, for instance?

[Demaci] They should have everything that is covered by human rights.

[Spasojevic] A government, police, a university, various ministries....

[Demaci] If they want to have autonomy, then let them. That means that at any moment, if someone denies them their rights and freedoms, they can decide their own fate, without having someone impose it on them.

[Spasojevic] In effect, that means that they have their own state!

[Demaci] It does not have to be a state in the classic sense of that word. I am in favor of a Europe of all peoples.

[Spasojevic] Does it seem to you that at this time you are more involved in politics, and less in finding a realistic and genuine solution for the Albanian question?

[Demaci] It seems so to you. Perhaps it is even as you say, but I think that we can only resolve this question jointly—naturally, you Serbs and we Albanians. We have to find a solution that will save Albanians from hopelessness and occupation. I want us never to have any problems with the Serbs. Perhaps that is politics to you, but to me it is science.

[Spasojevic] Of all the Albanian intellectuals I have met, Academician Redzep Cosja has the most radical position on the Albanian question. He is for the unification of all Albanians who live in the Balkan area into one state. You, consequently, do not think that way?

[Demaci] As you see, I have a very flexible position on it, and I am taking into account all the factors present within the Albanian, Serbian, and other European peoples. I advocate taking the Albanian and Serbian questions off the agenda forever, and our starting to work and live in a way that suits serious and mature peoples. The world is laughing at us behind our backs, and allegedly coming to establish peace for us. You Serbs have a greater responsibility for that. I am one of those Albanians who think that we must first resolve all the disagreements with the Serbs, Montenegrins, Macedonians.... Albanians are calling for help from the world because they cannot resolve things themselves. I think that that strategy is very precarious and very weak. Concessions should primarily be made by the Serbs themselves. This means that we give up some of our interests, the Serbs give up theirs, and a solution is in sight. In my opinion, that is the future, not just of the Balkans, but of all of Europe. We simply have to take the Serbs into account for the sake of a better for Albanians, and vice versa. We can only talk about cooperation if we are both free. Otherwise, if you are the master and I am the slave, there is no cooperation. Those are the relationships that prevail in Kosovo today. the Serbs are inviolable masters, and they want to turn us into servants. That can be endured for some foreseeable time, but there will never be cooperation.

[Spasojevic] You attribute many shortcomings to the Serbs, but you obviously respect them?

[Demaci] I appreciate the Serbs very much, and I deliberately give them the significance they deserve. You noted that well. I cannot say that of some other peoples. I appreciate Serbian energy, patriotism, persistence.... I learned from the Serbs how to love one's own people, one's own culture, and, if you like, oneself. The Serbs indirectly influenced my formation a great deal. I spent a lot of time with Serbs in my studies in Belgrade, and in many prisons throughout Yugoslavia. Unfortunately, through a conjunction of strange circumstances, today everything negative that a people has within it has surfaced in you. Strange feelings and ambitions are ruling you. I hope that it will pass soon, for your sake and ours.

[Spasojevic] How many Albanians are currently guest workers abroad? About 250,000 are mentioned?

[Demaci] I could not say exactly, but I think there are that many, if not even more. There is great solidarity among us, and that is an important factor on which our strategy rests. I told you that we are suffering a lot. Some people earn their bread throughout the world, but here people have an arduous time obtaining a mouthful. Most are farmers. I know that more than 100,000 have been thrown out of work. At most, about 50,000 people are working! Imagine if they alone had to support 2 million hungry people. Very fortunately for us, there is private initiative, although the authorities are also creating great obstacles for us in this regard as well.

[Spasojevic] Albanians are not joining the army now, I hear, because the military authorities are not summoning them?

[Demaci] They are summoning them, they are, indeed! They catch some young people secretly and take them away to the barracks. Some of them disappear forever! A large number of young people are on the run because of that.

[Spasojevic] In your opinion, how many Albanians are there on the territory of the former Yugoslavia?

[Demaci] It is also hard to answer that question. It was known, however, that in the former Yugoslavia there were about 400,000 of us every 10 years. The last census was....

[Spasojevic] You say 400,000 every 10 years! If we had stayed together, by some chance, for just 50 more years, you would have been the most numerous people not only in Yugoslavia but also in the Balkans, and beyond?

[Demaci] No, we would not. It doesn't go exactly as you imagine. Those who want to intimidate the Serbian people multiply that figure 50 times, and the figure is intimidating, I admit. Actually, that is not the case. Raising the standard of living a little would be enough, and then the birth rate would decline. I am telling you that altogether, perhaps there are about 3 million of us. There are about 800,000 in Macedonia, Montenegro—some people say 50,000, and others as many as 100,000. Many people were recorded as Montenegrins there. The others, up to 3 million, are located in Kosovo and in Serbia.

[Spasojevic] Are you a protected and safe person today in Kosmet?

[Demaci] Not at all! At any time you can be stopped, searched, beaten, arrested, and by God, even killed. There have been, there have been Albanians killed. They can go into your house at night, and even in the daytime, without any warrant, and kill you if they just feel like it, without being answerable to anyone. You know, a completely tragic situation. I will not use a harsher word. It is very fortunate that those people who have all the powers do not exercise them fully. Now we also have those soldiers of Arkan's. They are serving to pour oil on the fire. It is not good that that is the case, and I regret it very much. It is not leading to anything good. When the time comes for force to settle things, then the road to uncertainty is certain. We are very fortunate that we have not yet crossed the famous red line, but we are right next to it, i.e., a step away from the abyss and mass slaughter.

[Spasojevic] Who does that depend on? The Albanians, or the Serbs?

[Demaci] Everything depends on the Serbs, because what they are demanding for themselves, they are not giving to others at all. You see how the Serbs are fighting feverishly where they are 20 percent, 30 percent, or somewhat more, but here the Albanians are 90 percent, but they don't want to give them anything.

[Spasojevic] I think that I am not stating a falsehood if I say that there has never been a higher and deeper wall between Albanians and Serbs in Kosmet. Silence simply rules here. Do you agree with this statement?

[Demaci] Looking at it from the outside, you are telling the truth, but if you open your soul to the Serbs and Albanians, you will see that they are exhausted from this kind of life, unnecessary quarrels and bloodshed. In the end they would like to live as people ought to. I am convinced of that and I believe that I will die with that conviction. You are quite right about the existence of that wall, but it is on weak foundations. Unfortunately, politics is a vile, base thing. It has instruments to make a man into a beast. I spent a lot of time with different Serbs, and I am convinced that the majority of that people do not think like their authorities and Mr. Slobodan Milosevic. I repeat, I know what politics is capable of making a man into. It makes people the diggers of their own pits.

[Spasojevic] There are legal authorities in existence in Kosovo. There are also parallel illegal authorities, which, they say, are well organized. Those are your Albanian authorities....

[Demaci] What you call legal, Mr. Spasojevic, is not legal at all, because the Serbian authorities appointed themselves here. If you want to talk about the legal authorities, the Albanian ones would be much more legal than the Serbian ones, although I do not consider them sufficiently legal either, because there were elections of a sort, but they were not held in normal conditions, but rather in fear and under police surveillance. That is why a real election campaign was not held, not all the candidates were presented, it was not possible to speak openly.... That way it is not even possible to talk about any sort of legal authorities. Both sides are pretending to have some so-called authorities. Otherwise, you are right when you claim that the Serbs have legal authorities, but you are forgetting to add that they are a product of force and coercion, and by no means of the democracy that is only verbally supported in Belgrade. What I call authorities—ones that the people accept and are accepted by others—the Serbs do not have such authorities here. Those ethnically pure Serbian authorities have also begun to feel dizzy and weak to a great extent. Indeed, they know that this does not belong to them, and so they are insecure in their power. Now you are saying that Albanian authorities exist. They are very, very weak. What we could arbitrarily call a "moral government" does exist, and the Albanians are thus, for example, trying to organize health care and school education in homes, garages, cellars, attics.... All of that is just beginning, in the name of God.

[Spasojevic] Are you in that government?

[Demaci] I am chairman of the Council for the Protection of Human Rights and Freedoms, and here, at the ZERI newspaper, acting chief editor. As you see, you are talking with a person who has some sort of authority.

[Spasojevic] We are all in a panicked fear of war. I am thinking of the more rational part of your and my people. It is said that the question of the moment is when a war between the Serbs and the Albanians will start.

[Demaci] War in Kosovo is a reality. I am convinced that the Serbs will not give up their intention of ethnically cleansing Kosovo. They have a plan for that similar to the one for Bosnia-Herzegovina. They are being tempted to try to carry it out.

[Spasojevic] Your opinion is simply incomprehensible to me, and that is why I must ask you: Do you have any evidence of what you are claiming, or just assumptions?

[Demaci] I assume, but with a sufficient amount of certainty, that that plan exists. If they are try to carry it out, only then would there be great bloodshed. In my opinion, the Serbs will see too late that it has been a catastrophic mistake. The Serbs are always faced with that temptation, although I admit that there are signs that they would not want it, but only at this moment. If, however, in spite of their isolation from the world, they succeeded in creating a Greater Serbia, I do not believe that they would then give up the project of a Serbian Kosovo.

[Spasojevic] Are the Albanians armed, so that they could conduct a real war?

[Demaci] The Albanians are not armed. Here and there, if they have managed to smuggle it in, they have some rifle, or at best, a Kalashnikov. You will admit, however, that these are not any kind of weapons. You and many other Serbs are interested in how it is possible to fight empty-handed. You know that any people that is fighting for freedom seizes weapons from its enslavers. In Kosovo, the Serbs have too many weapons, so that more than 100,000 Albanians could be armed, which is quite enough in any case. The Serbian weapons are simply ours as well.

[Spasojevic] Do you think that the Serbs are armed?

[Demaci] They are, they are.... They have been armed, ostentatiously, before our eyes. In broad daylight, packages of weapons have been unloaded from trucks. It is an open secret. Arkan and his "Tigers" are strutting around Kosovo. He has set up a headquarters in the Grand or Bozur Hotel. He is even holding press conferences. Do you know who Arkan is? Does this mean that Belgrade is persistently putting weapons in the hands of the Serbs here? I know that all the Serbs more or less know Arkan's past. He has a price on his head and he does not have anywhere to go. All of this leads us to conclude that there will be bloodshed, because Serbia has people here who are ready to do everything they are told. I am convinced that they are only waiting for the signal to start.

The Albanians, however, are trying to avoid it. The Albanians are also dangerous, however, if they take up weapons. That is why the Serbs should think 10 times before they start anything. It is true that the Albanians are not armed, but Albania has as many weapons as we want. It is not far away. It is not Saudi Arabia; Albania is here, immediately beyond the border. I repeat, there are a lot of weapons in Albania, and even if there are not, they will be delivered from Italy in just 24 hours. One should not be deceived over this. That is why I say tat the Serbs must not permit it. It is up to them to decide what they want, peace or war.

It would be a mistake, and even tragic, if the Serbs, and most of all the Belgrade regime, took my warning as a threat. I am a person who has experienced a lot, and life has taught me that real people do not use threats. I am only trying to look at the truth and state it publicly.

Activities of Albanian Separatists Reported

93BA0942A Belgrade VOJSKA in Serbo-Croatian 15 Apr 93 pp 28-29

[Article by M. Sinanovic: "View of Kosovo: Terror of Separatist 'Junta'"; Albanian personal names given in Serbo-Croatian transliteration]

[Text] *The Albanian mafia in Kosmet [Kosovo and Metohija] has an enormous "army" of attendants and employees at its disposal, and the mafia "godfathers" can procure anything for themselves; one of the biggest storehouses of drugs intended for the West is located in this region; special "service" for accumulating foreign exchange intended for separatists.*

Recently, a press conference was organized at the Center of Public Security of the SUP [Secretariat of Internal Affairs] of Pristina, at which much information about the activities of Albanian separatists against Yugoslavia and Serbia was revealed. Most of the talk centered on the smuggling of drugs, arms, and explosives, car theft, underhanded economic dealings, and all other operations and activities that "produce" an enormous quantity of money, as well as the generation of fear and terror among the Albanian population by the separatist "junta."

The Albanian mafia has an enormous "army" of attendants and employees at its disposal, it was said, from top to bottom specialists in particular activities on the wrong side of the law. Its "godfathers" can procure anything for themselves, as they themselves emphasize, if necessary even the Serbian parliament, customs, police, and judiciary. If one adds to this theory the duality of government that currently exists in Kosovo and Metohija, all paths of crime lead through wide-open doors into the tree-lined lane of the most luxuriant "flowering."

By generating fear and terror among their own fellow nationals, the Albanian mafia is acquiring great riches through compulsory assessment of a tribute "allocation" to the vilayet. Under the guise of the "Kosovo republic," enormous quantities of "cream" are skimmed off. Private tradesmen, regardless of profit, must "donate" between 20 and 100 German marks a month for this already frayed and threadbare theory, in which many Albanians no longer believe. As far as anyone knows, all of the money, of course, goes into the hands of the mafia to finance their own activities. That is only a fraction of the proceeds that are being recycled by the spinning wheel in the continuous turnover of enormous quantities of foreign exchange that flows into the coffers of the Albanian mafia and separatists.

However, the inexhaustible and most sure sources of mafia revenues are gunrunning and drug trafficking. Over the recent period alone, it was said at the press conference, several groups have been uncovered with enormous quantities of arms and drugs as preparation for the "day of uprising," which individual Albanians from Kosovo and Metohija procured with foreign exchange or through theft, or even by taking them from the "battlefields" in Croatia or the former B-H [Bosnia-Herzegovina]. This is confirmed by the latest campaign by the MUP [Ministry of Internal Affairs] of Serbia, which uncovered in the field more than 200 automatic rifles and 50 kg of explosives, while a computer printout would be necessary to describe the various calibers of ammunition found.

Well-Directed Action

The steady and persistent work of the MUP of Serbia and of state security at the SUP of Pristina and Prizren have yielded results. For example, five people have been arrested for stealing explosives. They are Enver Dodaj (19), unemployed, and Fljorin Kurti (20), a waiter, both from Pristina; Nik Gani (39), from the Glogovac area, the owner of a private catering establishment; Faik Vitija (49), from the town of Marevce, near Novo Brdo, an unemployed locksmith; and Smail Bunjaku (25), from Novo Brdo, unemployed. Everything that day was reminiscent of well-directed action in detective films, as Enver Dodaj was arrested at the "Boro and Ramiz" sports hall only an hour after noon; in his car were found 30 kg of commercial explosives and 30 detonation caps. At the same time, Nik Gani and Fljorin Kurti were arrested at the "El Ganco" bar, while Faik Vitija was arrested in the town of Maticane, near Pristina, and Smail Bunjaku was detained in Gnjilane. As the investigation later determined, they were "helping themselves" to dynamite from the "Novo Brdo" Mine.

It was also emphasized that the "green transversal" is unremittingly in operation. "Brother countries," especially Turkey, continue to supply the Albanian mafia with "white powder," because of which a former Yugoslav woman was sentenced to life imprisonment in that country several years ago. Experts on combatting crime and drugs say that one of the biggest drug storehouses for Western countries is located here, especially for neutral Switzerland, Belgium, and Austria, where the Albanian mafia now maintains a sales network, i.e., a drug underground, which is especially pronounced in "pure" Austria. If it is known that Albanians have long served as couriers of "white powder" for the Sicilians, then it is clear that they are advancing "professionally" in this business at a dizzying pace.

Bearing all this in mind, it is not hard to imagine why the Albanian mafia is now turning increasingly to the "domestic market," especially Kosovo and Metohija, and this precisely at a time when the "holy war" by Muslims in this part of the Balkans is gaining momentum, thanks to certain forces in Europe that live in the delusion that they will achieve some of their long-standing goals through such a war in this region. And that goal is clear: to rout "disobedient" Serbia. The Albanian mafia has "appended" to this its own additional goal: to get as many children in this region as possible addicted to white powder. The more addicts, the greater the profits and the more foreign exchange in the mafia's coffers.

Thus, today in tea rooms where until recently propaganda material with separatist content was distributed, gossip was traded, deals were struck, and the occasional Magnum was sold, "white powder" is sold in addition to music and panegyrics on "Greater Albania." Several days ago, a campaign by the MUP uncovered a "troika" that tried, "by mistake," to sell two kg of the finest heroin at the "Ljindita" restaurant in the town of Pozaranje, near Glogovac. Arrested on that occasion were Asim Pira (44), from Pozaranje, Ajet Pira (22), from the same town, and Avni Alidema (27), their fellow citizen. The value of the heroin found on them was around 200,000 Swiss francs, while in Switzerland that value would exceed half a million francs, due to "transit" and other "costs" of transport. This is how the Albanian separatists are being financed, but also the mafia, which takes the biggest piece of this pie.

Large Number of Accomplices

When it comes to personal gain and money, all "petty details" like religion, nation, party, and climate are disregarded and overlooked, and all human boundaries are erased. This is borne out by the whole-hearted "assistance" offered to the Albanians in these dirty transactions by individual members of the MUP of Serbia, who, guided by personal interests and greed for marks, have dishonored their jobs, themselves, and their families. This is evidenced by the recent arrest of 20 policemen and four customs officials at the "Djeneral Jankovic" border crossing between the Republic of Macedonia and the FRY. They have a large number of accomplices, whose names have not yet been revealed, it was announced, in the interest of further investigation.

However, the embargo and sanctions imposed on Serbia and the FRY are now a major problem and an "aggravating circumstance" for the Albanian mafia. Specifically, the previous "transit channels" are now closed. The flow of heroin has slacked off. A shortage of this highly sought commodity is already being felt in the West. Hence the efforts to compensate with domestic production. Recently a group of Albanians that was producing and selling drugs was uncovered in Gnjilane. It is suspected that there are other such "productive fields" where the plants from which "white powder" is extracted are cultivated.

It is an increasingly frequent practice of the Albanian underworld in Kosovo and Metohija to steal and resell luxury automobiles. They sell them especially to their rich fellow countrymen. But also increasingly frequent are kidnappings of the underage children and wives of prominent and rich Albanians, especially those not exactly partial to separatist goals. Thus, at the request of the okrug public prosecutor, an investigation was launched against a seven-member gang of car thieves, who committed 17 thefts in Pristina and Kosovo Polje at the end of last and beginning of this year. Under investigation are Avni Hajredini (30), from the town of Kosutovo; Sali Zejnulahu (28) from Kosovska Kamenica; Agron Aliju (25), from the town of Sipolje; and the minors A.P., A.R., B.D., and R.I., from Kosovska Mitrovica. The cars were stolen by the minors and then driven to Kosovska Mitrovica, where they were stored in Sali Zejnulahu' yard in the village of Bogance. Naturally, the cars had to be high-class—Opels, Audis, Golfs, etc. Later, after several days, they would be offered to their owners, but with corresponding remuneration, which ranged from 700 to 5,000 German marks, and with the promise that if the car was not bought back it would be set on fire. Some of these "lucky people" had to "buy back" their cars several times a piece.

There is more and more—understandably fear-stricken—talk among the Albanian population about the growing number of kidnappings of children and wives. Thus, the wife of a well-known Pec lawyer was recently kidnapped, as were the child of one of the richest people in Pec, three school girls from Pristina, and several boys from Djakovica, Kosovska Mitrovica, and Urosevac. There is also talk of the rape, in cellars, of underage girls who attend private schools, beyond any control by their parents, and thus by "their teachers" as well. Moreover, all the extorted families have had to submit to the kidnappers' conditions, and depending on their ability to pay, which the Albanian mafia knows quite well, they have had to pay between 1,000 and as much 50,000 German marks.

Leaders Are Ex-Cons

This is the picture of present-day Kosovo and Metohija. But there are many indications of a new effort to turn things around, probably for the sake of personal interests. If for no other reason, then for their own safety and the safety of their children, many Albanians are recognizing the goals and intentions of the Albanian separatist mafia, which does not even shrink from extorting "its own" fellow countrymen. This trend is being furthered by the awakening of some Albanian intellectuals, such as Abdulj Tasi, a civil servant from Kosovska Kamenica. In his words, Rugova's chiefs of staff Izet Tasi, his brother Ibrahim, Sehat Spahiu, and Redjen Tasi have "a secret plan to destroy all Serb and Montenegrin villages in this region." Albanians are no better off, Abdulj says. They are under heavy pressure from Rugova's separatist leadership and its followers. The leaders themselves are moreover all ex-cons sentenced for undermining the state, raping Serb women, theft and gunrunning, and drug trafficking. Thus, confirmed mafiosi.

"Not only Serbs are at jeopardy here. Rugova's staff has set up a 'special service' for accumulating marks, and the slogan is an old one: 'Kosovo republic.' Punishment is inevitable for the disobedient. The chairman of Rugova's service in this area is Zejnel Spahiju, known for his nationalistic excesses, for which he was sentenced in 1974, while his father Halit was sentenced to several months in prison in 1981 for raping a Serb woman. The secretary of this separatist nest is Sehat Spahiju, who is related to Zejnel and Halit and a teacher by profession. He too was responsible for raping his pupils. Former elementary school principal Ibrahim Tasi was stealing from the school's coffers at the time, but now he is on Rugova's staff as the head of war plans for the 'Kosovo republic' for our okrug," Abdulj Tasi told us.

Many Recruited People

Because of their secessionist goals, many young people have been recruited from this region. A large number of these "freedom fighters" are currently in formations of Tudjman's ZNG [Croatian National Guard Corps].

"Kadri Cehaja, the former chairman of the Executive Council of Kosovska Kamenica, is responsible for educating these people, together with informer Sevdaj Tasi, a professor by occupation, while Jahija Zubaku is responsible for 'expert' military councils. This 'board' of the war body also includes former JNA [Yugoslav People's Army] officers, whose main task is to collect and sell weapons and drugs. The route is the same—from Istanbul to Bern, Vienna, and Lisbon. Recruits are sent via secret channels for military training in Turkey, Albania, and certain Western countries, and then to Tudjman's combatants for their 'practicum.' A number of fledgling soldiers of the Albanian mafia, with Yugoslav passports, return and continue training 'new cadre.' Because after all, they must all be ready for the 'day of uprising,' which is expected here 'soon'; they are simply waiting for a sign and blessing from the West," Tasi emphasized.

However, there is something that does not fit with this intricate Kosovo secessionist milieu. Many former advocates of "Greater Albania" and "lasti [meaning unknown]" of Albanian secessionists and separatists have begun packing their bags, although primarily filling them with marks collected from superstitious and obedient fellow citizens of Albanian nationality, and have flown to the West, settling in agreeable locations in Vienna, London, New York, and other European and world metropolises.

It remains to be seen whether these people are "prospectors," scouts, and "architects" of new transversals and channels for the Kosovo "Cosa Nostra." But as one person familiar with these signs says, it is more likely that this was done because of dissonance in the Albanian separatist chorus, so that they have begun to sing their own song, the safest one of all—*kidavela* [meaning unknown].